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Firemen look through the remains of a Soviet-made MiG fighter which crashed on a house near Bellegem, Belgium. (Reuter wirephoto)

Soviet MiG-23 crashes

BELLEHEM, Belgium, July 4, (Reuter): An unmanned MiG-23 fighter plane belonging to the Soviet Air Force slammed into a Belgian house, exploded and killed a resident today, after flying across Western Europe through NATO air defenses.

A Belgian Defence Ministry official said the MiG apparently carried conventional shells but no nuclear weapons. Eyewitnesses reported several explosions after the jet crashed into a house in this west Belgian village near the French border at 10:37 am, killing a 19-year-old Belgian man.

The house was destroyed, with only the MiG's tailplane, adorned with a red star, still recognizable. West German and Dutch Defence Ministry officials said the pilot was believed to have bailed out over Poland or East Germany, leaving the single-engine jet to fly on autopilot.

A spokesman for the West German Air Force's administrative headquarters said in Cologne the MiG took off from Kolobrzeg in Poland, more than 1,000 km (625 miles) from where it came down.

NATO radar spotted it over Warsaw Pact territory and two US F-15 fighters from a US air base at Soesterberg in the Netherlands were scrambled to intercept it after it entered West German airspace at an altitude of 12,000 metres (39,000 feet).

"They determined there was no pilot inside. The plane was on automatic pilot and was on course to Belgium where it crashed," Dutch Defence Ministry spokesman Ron Favier said.

Belgian Defence Minister Guy Coens said in a statement the US pilots had been given orders to shoot down the MiG if it endangered a densely populated area.

It flew near the cities of Eindhoven in the Netherlands and Antwerp in northern Belgium

(Continued on Page 2 Col. 5)

Bomb rips packed bus

PESHAWAR, Pakistan, July 4, (AP): Nine people were killed and 29 injured today when a bomb ripped through a packed bus in Peshawar's old quarter, police said.

The bomb exploded just before noon in the crowded Khyber Bazaar. Witnesses said windows in nearby shops shattered when the rear of the bus exploded.

No one immediately claimed responsibility. No arrests were made.

Most of the dead and injured were Afghan nationals, police said.

Probe on expired foodstuffs Check before you eat

THE use of forged licences facilitating holders to market expired foodstuffs in the local market are being investigated by the general prosecution.

Sources said that the prosecution is currently investigating a Kuwait Municipality employee, identified as Mohammad A. for allegedly forging licences permitting some companies to sell and distribute expired food-

stuffs in Kuwait after they were impounded by the Municipality.

The foodstuffs were packed in different types of tins, and were distributed.

Sources added that there are a number of collaborators, some suspected to be officials with the accused and investigations in progress will soon lead to their arrest.

Call to break India ties Sri Lankan opposition angry

COLOMBO, July 4, (AP): The president of an opposition coalition that represents powerful Sinhalese student groups and Buddhist clergymen called today for Sri Lanka to break diplomatic ties with India.

Samuel Bandaranayake, president of the Sri Lanka Patriotic United Progressive Front, said his coalition would press for severing of diplomatic ties between the two countries because of India's refusal to withdraw its 40,000 peacekeeping troops from Sri Lanka by the end of this month.

"If India is not respecting the sovereignty and territorial integrity of Sri Lanka, then our

front will be compelled to agitate to sever diplomatic relations immediately," he said in an interview.

The coalition is backed by the Sri Lanka University Students Front and the Bhikku (Buddhist monk) Front. It is also believed to be close to the People's Liberation Front, a group of radical Sinhalese.

Indian troops are posted on Sri Lanka's Tamil-dominated north and east to put down a six-year-old rebellion by militant Tamils. President Ranasinghe Premadasa has asked India to pull out its troops by July 29, but the government in New Delhi says a

hasty withdrawal could lead to even greater ethnic violence on the island nation.

At least 9,000 people have been killed in the Tamil insurrection since 1983 and more than 3,500 have died in the backlash spearheaded by the People's Liberation Front.

In New Delhi today, Prime Minister Rajiv Gandhi said India was willing to negotiate a timetable for the withdrawal of its troops with the Sri Lankan government.

New Delhi had earlier refused Premadasa's request to halt military operations against the Liberation Tigers of Tamil Eelam, the main Tamil militia.

Eid Al Adha on July 13, Saudis declare

RIYADH, July 4, (Agencies): Saudi Arabia declared the start of the holy month of Zul Haj today, signalling that this year's Eid Al Adha, Muslim feast of sacrifice, will be on July 13.

The haj climax is on the ninth day of Zul Haj when some 1.4 million white-robed pilgrims are expected to gather at Mount Arafat, a site 11 km (seven miles) from Makkah where the Prophet Mohammed (PBUH) preached his last sermon 14 centuries ago. The day of Arafat is on July 12.

Pilgrims start celebrating the Eid Al Adha the next day.

In keeping with religious tradition, the Amir of Makkah, Prince Majed Bin Abdul Aziz, today washed the Holy Kaaba on behalf of the Custodian

of the two holy mosques King Fahd Bin Abdul Aziz. The ceremonial washing of the Holy Kaaba witnessed the participation of a large number of members of the accredited diplomatic corps, heads of the diplomatic missions to Saudi Arabia, Muslim scholars and other top-ranking clergymen.

Saudi Arabia has been expanding the existing building of the Holy Mosque in Makkah.

The project involves the construction of a new building, which will increase the existing access. Modern amenities such as escalators will be provided as well as the total area of the mosque prayer grounds will be expanded which are designed to raise the accommodation capacity to 605,000 worshippers.

China recalls liberal books

BEIJING, July 4, (Agencies): China, broadening its crackdown on dissent after the suppression of the democracy movement, has ordered recalls and publication halts for books and journals by liberal intellectuals and dissident writers, Chinese sources said today.

Chinese security officials, meanwhile, confirmed to visiting Taiwan reporters that a Taiwan journalist had been arrested and was under investigation for allegedly aiding a fugitive student leader. There was no word on the fate of the student.

The books directive was issued yesterday in a circular from the Press and Publications Administration, a national agency under the state council, China's cabinet, Chinese journalism and publishing industry sources said.

The order widened a crackdown on dissent that has followed the Army's violent suppression of the democracy movement June 3, when soldiers moved into Beijing to enforce martial law declared May 20.

Troops and tanks cleared central Tiananmen Square of students who had led anti-government protests there. The assault ignited a citywide uprising in which hundreds and possibly thousands died.

The sources said the circular, issued to at least some of China's approximately 400 publishing houses, called for a recall or publishing halt of "all publications in printing or editing process which have strong bourgeois liberalism tendencies."

The code phrase "bourgeois liberalism" signifies Western political ideas such as democracy and has been revived from a crackdown two years ago as the rallying cry for hard-liners in the effort to stamp out dissent.

A spokesman for the Books Bureau of the Press and Publications Administration, contacted by telephone, denied such an order had been issued, but claimed that "existing principle" held that no books spreading bourgeois liberalism could be published.

But the sources said the circular also banned works "by advocates of bourgeois liberalism" works by authors who are "labeled or wanted" in the government crackdown and any work "that smacks of bourgeois liberalism."

The visiting Taiwan journalists said that in a meeting this morning with an official of the Beijing State Security Bureau, they were told Huang Teh-Pei, 33, a reporter for the independent Evening Post in Taipei, had been arrested and was under investigation.

Huang was surrounded by security agents yesterday and bundled into a car outside a hotel after he reportedly met with Wang Dan, 20, one of the top leaders of the student movement.

Wang is now a fugitive on a government "most-wanted" list. A prominent government think-tank closely linked to the ousted Communist Party leader Zhao Ziyang has been disbanded and its offices occupied by the military, Chinese sources said today.

Muslim forces lift land siege

Beirutis flood crossings

BEIRUT, July 4, (Agencies): Syrian-allied Muslim forces reopened gateways linking the Christian enclave with the rest of Lebanon today, 35 minutes after Syrian gunners stopped shelling the Christian coast.

Police said one person was killed and five were wounded in pre-dawn shelling duels across Beirut's dividing Green Line.

The latest casualties upped the overall toll to 397 people killed and 1,538 wounded in the 16-week confrontation between Gen. Michel Aoun's mainly Christian Army units and Syrian forces.

The Syrians maintained intermittent shelling of the Christian coastline north of Beirut until 11:30 am (0830 GMT). Aoun's gunners did not respond to the port shelling, which has become a daily routine.



'I have found you'

An ethnic Turkish woman deported from Bulgaria cries while embracing her brother after arriving in Turkey along with other Turks. See Turkey file, Page 4. (Reuter wirephoto)

S. Asia turns blind eye

Child slavery

NEW DELHI, July 4, (Reuter): More than 20 million children are trapped in squalid lives of slave labour in South Asia because governments turn a blind eye to the problem, a conference concluded today.

"In South Asia there were at least 20 million child bonded labourers, not to speak of the millions of other children working in conditions similar to slavery," said a statement issued at the end of the five-day conference.

"The majority of them are drawn from the outcasts, untouchables, tribals, ethnic and religious minorities in our countries," the statement said.

Families are bonded to an employer, sometimes for generations, to pay off a debt that keeps growing as exorbitant interest keeps compounding on the loan, delegates said.

Some 60 activists from Bangladesh, India, Pakistan and Nepal attended the conference which issued an 11-point "chapter for children in chains."

About 20 children, aged six to 14, who were freed by social workers from bondage, testified about their work in brick kilns, stone quarries and factories making carpets, glass and matches.

Most countries in South Asia have inadequate legislation on child labour, "leaving hardly any room for legal action," the statement said. What laws exist are rarely enforced.

"All of us are aware that a radical change in the socio-economic climate and political systems is the only hope for liberation of these children," the statement said.

Conference organizer Swami Agnivesh said India, like other countries in the region, does not have a compulsory education law which would be one way to help end child servitude.

"Another reason to get rid of child servitude is because we have rampant adult unemployment," Agnivesh said.

He said the carpet industry, which employs about 100,000 bonded child workers, had long justified the practice by saying beautiful Persian-style carpets could only be woven by children with small, nimble hands. "That myth has been exploded. It's been shown adults can weave carpets better and faster," he said.

He said the conference was told of thousands of children who were recruited to work in India's prisons, some as "sex labourers" for long-serving inmates.

Sudan junta seeks better ties with Egypt

Coup postponed one week

world of the situation in Sudan" after the coup. Relations between Egypt and Sudan were strained before the coup. New military junta sought closer ties with Egypt after promising to end the civil war in the south.

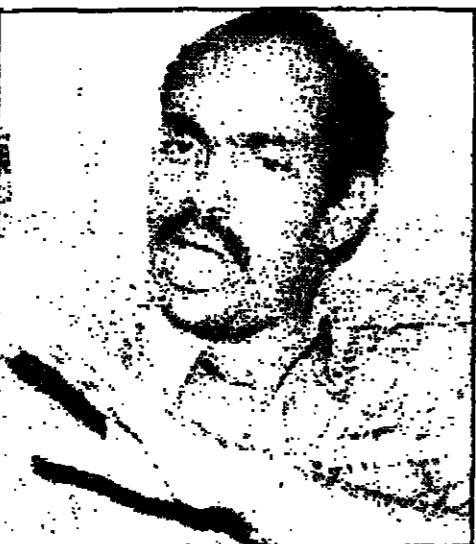
Last week's military takeover had been set to take place one week earlier on June 22, just days after Mahdi announced he had uncovered a plot to attack Parliament, junta leader Gen. Omer Hassan Ahmed Al Bashir disclosed in an interview today.

In the interview with the official Sudan News Agency (SUNA), Bashir also challenged Al Mahdi and his cousin, Interior Minister Mubarak Al Fadil Al Mahdi, to come out of hiding and face trial if they were convinced they had not committed any crimes against the people.

In Cairo, the Middle East News Agency (MENA) quoted Bashir telling Sudanese officers that Egyptian President Hosni Mubarak had offered to extend "any kind of aid" to the new government.

Before even asking "who we are or ... our orientation," he (Mubarak) contacted all Arab countries and asked them to support the change and to ... extend all forms of aid to Sudan," said Bashir, who sent a delegation from his ruling 15-man military council to meet Mubarak today.

Bashir, whose elite paratroop command moved into the capital at dawn on Friday rounding up senior officials and politicians, told SUNA he had originally planned to strike on June 22 but was forced to delay because of "the circumstances that were prevailing at the time."



Bashir assures fair trial for those detained during the coup. (Reuter wirephoto)

ALEXANDRIA, July 4, (Agencies): Members of Sudan's new leadership met today with President Mubarak on their first visit abroad since a military coup that overthrew the civilian government of Prime Minister Sadek Al Mahdi last week.

After a 150-minute meeting with the President, Brig. Faissal Abu Saleh, head of the three-man delegation and a member of the command council of the National Salvation Revolution, thanked Egypt for its support of the Friday coup and underlined the importance of close relations between the two neighbours.

"My people have asked me to convey thanks to big brother President Mubarak for all he has done for our nation and the revolution," Abu Saleh said.

He said Mubarak "conveyed a real picture to the

Makati cop chief shot dead

MANILA, July 4, (AP): Suspected communist rebels today killed the chief of police of Manila's financial district of Makati in the latest escalation of daylight street violence in the capital, police said.

The killing of Col. Herminio Taylo, 54, brought to 10 the number of soldiers and policemen, including another police chief, killed in the capital in the past two weeks. The military said 55 other soldiers and policemen have been killed by rebels in the capital since January.

Police investigator Sgt. Lydio Zeta said two of three suspected communist New People's Army assassins, armed with .45-calibre pistols, shot Taylo twice in the head at point-black range inside Makati's public market at 5:30 am.

The gunmen took Taylo's .45-calibre pistol, his radio and his wallet. Witnesses said the gunmen shouted "we are NPAs. Do not intervene," before escaping aboard a commandeered public jeepney, Zeta added.

Taylo was rushed to a nearby hospital where he died one hour later.

Collision

IMMINGHAM, July 4, (AP): A West German tanker loaded with a highly flammable chemical collided with a Swedish cargo ferry in heavy fog in the Humber river estuary today, sparking a fire and a leakage that was quickly contained.

More than 100 tons of burning propylene oxide spilled into the eastern England estuary when at least one of the Coral Esberg's 12 tanks was ruptured in the collision with the Vegaland, a 9,300-ton, roll-on roll-off ferry, said spokesman Tony Ellis.

Honey traps catch flies

US sex scandal

WASHINGTON, July 4, (Reuters): A scandal involving high-priced male prostitutes and their homosexual clients in the US power elite has raised fears that sex may have been used once more in espionage.

Investigations have not so far produced solid evidence that the two professions said to be the world's oldest — prostitution and espionage — are interlocked in the affair. The investigation centres on a homosexual prostitution ring that catered to the wealthy and the influential.

But intelligence experts take seriously suggestions in the Washington Times, the conservative newspaper which provided the first detailed account of the "call boy ring", that hostile intelligence agencies may have used homosexual prostitutes to infiltrate the Reagan administration.

The Washington Times has often backed the hardline policies of Reagan and is sympathetic towards his Republican successor, George Bush.

Washington insiders say clients of the tightly-organised ring ranged from government officials and military officers to businessmen, lobbyists and congressional aides. One official, Paul Balach, resigned over the affair last week. He served as liaison between the White House and the Labour Department.

"The KGB (Soviet intelligence) has had great successes in the past using agents trained to prey upon deviant sexual behaviour," said retired General Dan Graham, former head of the Defence Intelligence Agency (DIA). "There is no reason to believe they have changed their methods."

According to Graham, the KGB has a special section which coaches "swallows and sparrows" — attractive women and good-looking men — in the arts of sex to extract information or gain access to well-connected officials.

Two former heads of the Central Intelligence Agency, William Colby and Stansfield Turner, told Reuters that Soviet and East European intelligence services had used sexual entrapment extensively in the past and continued to regard it as a valuable method.

"The KGB is going through changes these days," Colby said, referring to Soviet leader Mikhail Gorbachev's policies of political liberalisation. "But I think they are still engaged in it (using sex to pry out secrets)."

US experts concede that sex is a particularly effective weapon in the secret war of the spooks but insist that American intelligence agencies, unlike their opponents, do not use it.

"We don't do it," Graham said. "It is very effective and I personally think we shouldn't be squeamish but there are strict rules against it."

Debate

Apart from raising questions about security in Washington, the call boy affair has revived a long-standing debate over whether homosexuals are more prone to fall victim to sexual blackmail or entrapment than heterosexuals.

Homosexual activities saw suggestions of more than ordinary vulnerability as evidence of what one spokesman termed "homophobia" in the United States. They said a CIA ban on hiring homosexuals constituted flagrant discrimination.

According to experts, the CIA's hiring ban has its roots in the 1953 suicide of one of its most senior agents, James Krontal, after the KGB used his homosexuality to blackmail him into working for the Soviet Union.

Krontal, CIA station chief in Bern, was being groomed for the top job in the agency when he killed himself. "The KGB has often been more aware of the sexual predilections and weaknesses of Americans in sensitive positions than our own people," said Angelo Codivilla, who served for seven years on the staff of the Senate Intelligence Committee.

Codivilla, now a senior research fellow at the Hoover Institution, a California-based think tank, cited the Krontal case to explain why the CIA is using lie detector tests to screen out homosexuals applying for employment.

No such tests are used by the DIA, though it discourages homosexuals, Codivilla said.

While sex has figured in espionage as long as there have been conflict and war, historical precedent does not suggest that homosexuals are more likely victims of blackmail and entrapment than people who prefer the opposite sex.

Intelligence experts rate the East Germans as the most accomplished practitioners of what is known in the trade as "honey traps".

In Bonn, East German agents have set such traps for a string of lonely secretaries who passed on secrets in the name of love and often the promise of marriage.

Sorry, wrong numbers

Company goofs

MELBOURNE, July 4, (AP): Telecom Australia said today that dozens of unlisted numbers had been accidentally included in the 1989 Melbourne phone book and admitted a number of subscribers could be in danger because of the error.

An unknown number of confidential numbers and the addresses of those subscribers were included in the directory, Telecom White Pages Manager Kevin Brennan said.

Brennan expressed concern for people who, following marriage breakups and domestic troubles, did not want their numbers and addresses published.

Telecom would consider offering certain individuals security protection if their cases warranted it, he said.

"We knew there was a problem in April, but printing had already begun and we had no way of identifying those affected," Brennan said.

"The mistake occurred when information was transferred from an old data base."

"The publication of the phone numbers can be easily rectified by simply giving subscribers a new number, but unfortunately the release of addresses is a problem," he said.

Victorian State Police Association spokesman Brian Harding said the matter was of great concern to his members.



End of the road

Frank Fischer, who held 14 people hostage for four hours in a bank in Frankfurt yesterday, tosses his weapon to the ground before surrendering. (Reuters wirephoto)

IRA bomb kills UK soldier

LONDON, July 4, (AP): The Irish Republican Army claimed responsibility yesterday for a bomb that killed a British soldier in West Germany as his family watched, and for a bomb attack at a Belfast airport.

Cpl. Steven Smith died Sunday evening when he opened his car door and a boobytrap bomb exploded. His wife and their four young children were injured.

Manchester police said they found and defused a bomb in another soldier's car nearby.

Three bombs exploded early yesterday at Belfast's Harbor Airport, damaging two parked airplanes and shattering windows in airport buildings, but causing no injuries.

Princess Anne, daughter of Queen Elizabeth II, flew into Northern Ireland without prior announcement and surrounded by tight security.

Prime Minister Margaret Thatcher called the bombers cowards, and said Smith's killing was "doubly horrific because the family ... were injured and saw what happened."

The IRA, which is fighting to oust Britain from Northern Ireland and unite the predominantly Protestant province with the Roman Catholic Republic of Ireland, made its claims to Belfast news media.

"We are forced to take our struggle beyond Ireland because the British public are restricted by their government from learning of its failure in Ireland and the resistance to its rule," it said in a statement.

The IRA does not prohibit reporting IRA actions, however, and the Hanover bombing was the top TV and radio item here.

The IRA statement said Smith, 31, a ratings officer with the Royal Tank Regiment, "could be the last soldier to die as a result of the British occupation of Ireland if the British government was to accept that after 20 years its military and political policies in our country have failed."

MiG crashes in Belgium, kills 1

(Continued from Page 1)

but NATO officials hoped it would eventually fall into the English channel, Belgian Defence Ministry spokesman Pierre Couchard said.

Some 150 people were evacuated from homes near the crash site due to the risk of further explosions and because it was unclear if the MiG carried toxic chemicals, regional governor Olivier Vanneste told reporters.

Mike Gannon, a spokesman for Shape, the NATO alliance's European military command, said:

"The plane, to my understanding, belonged to the Soviet Union." He said he did not know where the MiG had been based and declined to speculate on the reasons for the flight.

One theory among others was that the MiG had been escorting Mikhail Gorbachev to France, where he started an official visit today, a Belgian Interior Ministry spokesman said.

But a spokesman for the Soviet embassy in Brussels said no permission had been requested for any military aircraft to accompany Gorbachev's plane. In Paris, a senior Soviet official said Gorbachev's jet was not accompanied by a fighter plane.

Vanneste named the man who died in the crash as Wim Delaere, the son of the owners of the destroyed house.

Gannon said the F-15s followed the MiG, codenamed "Flogger" by NATO, until it came down. Belgian Air Force jet also shadowed the plane.

The Soviet Union said the fighter suffered a technical malfunction during a training flight over Poland.

The official news agency Tass said in a brief report that the pilot had ejected, apparently over Poland, and was alive.

Today, in one of the aviation units of the northern troop group, a Soviet military pilot was forced to eject from his MiG-23 while carrying out a training flight over Polish territory because of a malfunction of the aircraft's technical system, Tass said.

"The pilot is alive. The plane continued its unmanned flight in a western direction and fell on Belgian territory," it added.

A Western expert said the pilot had probably received a signal that the plane had technical problems.

"It sounds to me that in this case the pilot received an indication that something was wrong with his aircraft and having got a warning he would have concentrated all his attention on bailing out," said Don Kerr, an air defence analyst with the London-based International Institute of Strategic Studies.

The ferry captain tried to sail the badly damaged ship at full throttle towards its dock on the island of Landoye. It came within 200 metres (yards) of land before water killed its engine and it sank, said the state radio station NRK.

"We saw the big ship coming and jumped into the water. I was holding my friend's two-year-old son," said a woman passenger who was not identified on the radio.

US accused in Cubagate

Drug busts planned

MEXICO CITY, July 4, (Agencies): The Cuban Communist Party newspaper said yesterday the United States knew about an illegal drug operation allegedly involving Cuban officials and wanted to use the information against President Fidel Castro's government.

The official Cuban News Agency, Prensa Latina, reported that a former senior official with both the Cuban secret police and the Interior Ministry joined a disgraced general in confessing his involvement in drug trafficking.

Col. Antonio De La Guardia and former national hero Gen. Arnaldo Ochoa Sanchez are among 14 officials facing court martial proceedings in Cuba on charges ranging from "serious crimes against the country" to drug trafficking, to abuse of office, embezzlement and corruption.

The news agency, monitored in Mexico City, quoted an editorial in the newspaper Granma as saying Washington had been collecting proof of the drug trafficking to use against Cuba in its bid to isolate Castro's communist government.

"They knew who these officials were, from what we know today, because they had agents infiltrated among them who participated in the operations," the editorial said.

"Nevertheless," it added, "they did not convey a single word about it to Cuba, officially or confidentially."

The United States was "probably thinking of recruiting future CIA agents among implicated (Cuban) officials on the basis of blackmail," the news agency quoted Granma as saying.

The editorial also accused the United States of not stopping "several tons of drugs" entering US territory and not informing Cuban authorities about the alleged transactions.

"Since the first semester of 1987, organs of the North American intelligence knew that planes (loaded) with drugs proceeding from Colombia were landing at (Cuba's) Varadero Airport with the complicity of Cuban officials," it said.

The Colombian planes carrying cocaine first landed at Varadero Airport, about 65 miles (105 km) east of the Cuban capital of Havana, before being shipped to Miami.

US Drug Enforcement Administration agents in Mexico and Panama, where Cuban officials reportedly had contacts with international drug traffickers, have said they had no information about Cuban officials linked to drug trafficking.

Since June 12, the Cuban government has fired two cabinet ministers and arrested 14 powerful officials of the Army and Interior Ministry, including Ochoa.

Ochoa, awarded the coveted "Hero of the Republic" medal for leading Cuban troops in Angola, is accused of illegal trafficking in drugs, diamonds and ivory while serving as commander of some of the 30,000 soldiers that backed the Marxist Angolan government against a South Africa-backed insurgency.

Prensa Latina reported yesterday that De La Guardia, the former interior ministry official, said he began cocaine trafficking in 1986 and that he had tried 19 drug trafficking shipments to the United States, of which 15 succeeded.

De La Guardia also "assured" (authorities) that only officials of his group knew "his links with drug traffickers, especially with Colombia's infamous Medellin cocaine cartel, and implied that former Interior Minister Jose Abrantes had no links to the drug operations headed by Ochoa."

In Florida more statewide busts similar to last weekend's highly successful crack cocaine sweep in Florida are already being planned, the co-ordinator of "Operation Rock File" said yesterday.

"The Florida Sheriff's Association emphasizes its intent to maintain the pressure on crack dealers, users and suppliers to whatever extent it may take to cure the epidemic that now threatens the lifestyle of every citizen," said Broward County Sheriff Nick Navarro.

LONDON, July 4, (Reuters): A man who threatened to wipe out all life on Cyprus with poison gas unless its government paid \$14 million was yesterday jailed for five years for attempted blackmail.

Panos Koupparis used a string of false identities ranging from the ruthless terrorist "Commander Nemo" to British undercover agent "Colonel Digby" in a bizarre extortion plot that ended with his arrest in London two years ago.

Koupparis wrote to the President of Cyprus in early 1987 threatening to release deadly dioxin gas from secret injectors throughout the island if he was not paid \$14 million.

He signed himself "Commander Nemo" of the terrorist group "Force Majeure".

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عائلة أمية الأصغر

New queries on the pill-cancer relationship

WASHINGTON, July 4, (Reuters): Fueling a controversy over possible links between oral contraceptives and breast cancer, Swedish researchers said yesterday that taking the pill at an early age appeared to increase the risk of the cancer later in life.

"Our main finding is that oral contraceptive use at a young age significantly increases the risk of breast cancer," said a team of scientists led by Dr Hakan Olsson

of the University Hospital in Lund, Sweden.

The scientists also found that the length of time that a woman took the pill prior to a first pregnancy, and prior to age 25, also appeared to be linked to an increased risk of contracting breast cancer, though to a lesser degree than simply taking the pill at a young age.

But their study, to be published on Wednesday in the journal of the US National

Cancer Institute, found no co-relation between the incidence of breast cancer and the overall length of time that the pill was taken.

In May, a group of British scientists reported in the Medical Journal Lancet a related finding in a study of over 2,000 British women under age 36.

That study found that young women using the pill for four to eight years ran a risk of breast cancers about 40 per cent

higher than those who did not take oral contraceptives.

Most major US and European studies have found little or no evidence linking the pill to breast cancer, though there have been some conflicting results.

They said these included women in younger age groups, women who started taking the pill early in life and women who used the pill prior to their first pregnancy.

Truitt: Iowa sailors on dope

JACKSONVILLE, Florida, July 4, (AP): The sailor who said the US Navy tried to make him a scapegoat in the blast that killed 47 men aboard the battleship Iowa charged yesterday that drug use was widespread on the ship.

Gunner's mate 3rd class Kendall Truitt also accused the Navy of having "a motive of the week" in its investigation of the explosion, and he and his wife and their parents complained of harassment by the Navy and the news media.

Truitt said drug users aboard the Iowa included sailors who worked in the gun turret where the explosion occurred. Truitt also worked in the turret.

"On the Iowa, a lot of the guys with us had serious drug problems. It's pretty bad when your guys are dealing with gun powder and half of the individuals are doing drugs," Truitt said at a news conference.

The sailor said his friend, gunner's mate Clayton Hartwig, who was killed in the April 19 explosion, had informed the naval investigative services of drug use by other seamen while stationed at the Navy's base at Guantanamo, Cuba. Truitt said he had talked to an officer aboard the Iowa about the problem.

He said the two men were among the few in the turret who did not use drugs.

A Navy spokeswoman with the Atlantic Fleet Public Affairs Office said she could not comment on the drug-use allegations or any of the statements made by Truitt's family.

Also at the news conference, Truitt's attorney, Ellis Rubin, again demanded that the Navy formally apologise for smearing Truitt's name by leaking false allegations that he was under investigation in connection with the Iowa blast.

Rubin said last week that two NIS agents had apologised to Truitt and he demanded the Navy officially clear Truitt and tell the public he was not homosexual and was involved in a murder-suicide pact that resulted in the explosion.

Published reports earlier said the Navy was investigating the relationship between Truitt and Hartwig and the possibility of a suicide or murder pact between the two sailors. Truitt was the sole beneficiary of Hartwig's double-indemnity life insurance policy.

The attorney also said he was considering legal action against the news media which published and broadcast the leaked information.

"There are so many things in this investigation that are untrue that it is ridiculous," Truitt said, adding that most of the leaks had been debunked.

Truitt was accompanied by his wife, Carole; his mother, Charlotte Truitt and his wife's parents, Ray and Micki Smith.

Truitt's wife said Navy investigators last week extensively questioned her about her sex life, including whether or not she had ever been involved in a menage a trois or whether she had sex with Hartwig.

She said she wanted an apology from President George Bush.

Truitt was reassigned to the Mayport Naval Station in June.

Protesters
Anti-nuclear protesters in small boats shadowed the USS Iowa yesterday as the battleship arrived in Britain three months after an explosion in a gun turret killed 47 of its crew.

Some 50 members of Greenpeace, the campaign for nuclear disarmament and other environmental groups followed the World War II battleship into Portsmouth harbour in England's south coast.

"Mitigating factor"
The Navy has decided against punishing the three crewmen of a munitions train that ran over a protester, severing his legs, during a demonstration at the Concord Naval Weapons Station in 1987.

Adm. Robert Ailes of the Naval Sea Systems Command in Washington, DC, who had the final say, overruled the suspensions proposed by a Navy hearing officer last November.



Oh, what a feeling!

Young ballerinas on Monday practise a dance the night before the Bolshoi Ballet of Moscow opens in London. The Bolshoi will perform six ballets during their six-week stay, among them "Swan Lake," "Sleeping Beauty," and "Romeo and Juliet." (Reuters wirephoto)



Mr Magoo falls silent

Character actor Jim Backus, who was the voice of the cartoon character Mr Magoo, right, died Monday of pneumonia at St John's Hospital in Santa Monica, California. He was 78. Backus also portrayed Thurston Howell III, the self-indulgent millionaire featured in the American television series, "Gilligan's Island." He also starred in other TV programmes and films.

A native of Cleveland, Ohio, James Gilmore Backus studied at the American Academy of Dramatic Arts.

AUSTIN, Texas: The historic treaty oak, which has provided shade for generations of Texans, will itself be shaded as part of the effort to save the majestic tree that was poisoned with a herbicide.

"The whole plan of attack is to try and minimise the stress on the tree," Paul Roberts, an environmental specialist with the Austin Parks and Recreation Department, said yesterday.

Later this week, 40-foot (12-metre) screens will be stretched across sets of poles on the east and west sides of the 65-foot-high (20-metre-high), centuries-old tree. The mesh screens are made of a fabric similar to the kind used to block sun and wind at tennis courts (AP).

SINGAPORE: Singapore's "Loo Patrol" on the lookout for public toilet users who fail to flush, have nabbed the first offenders under a new flushing law.

Health inspectors have booked 17 people so far under the law which came into force on July 1 making it an offence not to flush after using a public toilet, an Environment Ministry spokesman said today.

Offenders are liable to a fine of up to 1,000 Singapore dollars (\$500) each time they forget to pull the flush chain. However, the 17 were let off with a warning during a two-week grace period, he said. (Reuters)

LOS ANGELES: Mel Blanc, the voice of more than 400 cartoon characters including Bugs Bunny, Porky Pig and Tweety Bird, is in serious condition with heart problems, a hospital spokesman said yesterday.

Blanc, 81, who entered hospital on May 19, began his cartoon career with the voice of Porky Pig and his most famous line became stuttering swine's "th-th-that's all folks."

He also provided the Road Runner's "beep beep" and Tweety Bird's "I tawt I taw a pudgy tat." (Reuters)



graduating in 1933. His motion-picture debut came in 1949 with "Easy Living," starring Victor Mature and Lucille Ball. His movie roles included James Dean's father in the 1955 classic "Rebel Without a Cause."

He was admitted to the hospital on June 13 and suffered from Parkinson's disease for many years. (Reuters wirephoto)

RIO DE JANEIRO: A young Brazilian girl has won a ticket to the biggest ball on Earth but she doesn't have a place to rest her head after the dancing.

Tania Regina Soares, who lives in a wooden shack on the outskirts of Rio, won an essay contest to celebrate the bicentennial of the French revolution.

But her prize, a plane ticket to Paris for the bicentennial party, does not include accommodation and she has no money to pay for a hotel.

Soares, described by teachers as a brilliant student, has struggled through school with borrowed books. Her father is an invalid who supports her and her brother with a \$33 monthly welfare cheque.

TOKYO: Police said yesterday that 170 million yen (\$1.2 million) found in a safe at a trash-processing centre three days ago belonged to a retired newspaper managing director who said he had forgotten about the cash.

Shigetoshi Okabe, chief of the Asahi police station in Yokohama, immediately southwest of Tokyo, told a news conference that Haruo Nakamishi, 60, told police investigators that he made the money moonlighting between 1971 and 1973 and kept it in a fireproof safe in the company's basement. (AP)

LOS ANGELES: The film "Batman," starring Jack Nicholson and Michael Keaton, broke a Hollywood record yesterday. By taking in \$100 million at US box offices in 10 days, a Warner Brothers spokeswoman said.

The comic-book extravaganza of the caped crusader and his fiendish enemy, the Grinning Joker, beat the record of Indiana Jones and the Last Crusade, which took 19 days to reach the \$100 million mark.

"Batman," which cost Warner Brothers \$60 million to make and to publicise, took in a record \$42.7 million in its opening weekend, "we're ecstatic round here," the Warner Brothers spokeswoman, Katrina Robertson, said.

US marks 4th with protests

WASHINGTON, July 4, (UPI): The fourth of July usually is observed with fireworks, picnics and political speeches, but this year Americans also will celebrate Independence Day by paying homage to the crushed democracy movement in China and protesting the Supreme Court's decision on burning the American flag.

Last month's high court ruling that burning the American flag can be a legitimate form of political protest triggered perhaps the angriest reaction as any ruling in recent years. And in the town of Nokesville, Virginia, 30 miles (50 km) west of Washington, war veterans plan to show their displeasure.

The main street will be draped with 50 to 55 flags, as it is every July 4th, but this year the banners will be flown upside down in an international recognised signal of distress, by Post 10621 of the Veterans of Foreign Wars.

Distressed

"We're distressed by this disgusting Supreme Court decision," said Fred Fees, the Post commander. "We fought proudly for our country. This is our way of registering our own dissent, but respectfully and properly, not by desecrating the flag we hold so dear."

At least two events will commemorate the June 3 repression of the fledgling students' democracy movement in Beijing's Tiananmen Square.

In Boston, a "goddess of liberty" statue was to be erected on the site of the 1770 Boston massacre by the Ancient and Honorable Artillery Co., founded in 1638 as a colonial militia. The statue is a replica of the original statue modelled after the Statue of Liberty, that was crushed by Chinese troops in Tiananmen Square.

Silence

Accuracy in Media announced that college radio broadcasters around the country will observe a moment of silence to commemorate the bloody quelling of the rebellion. The silent moment will be observed at 3:20 pm (1920 GMT) which corresponds to 4:20 am, when the first Chinese student was shot, AIM said.

President George Bush, spending the weekend with his family at his summer home in Kennebunkport, Maine, threw a fireworks celebration for the town and its tourists last night. He planned to relax tomorrow.

In Washington, the national Independence Day parade will take place on Constitution Avenue. There will be a reading of the Declaration of Independence at the National Archives and the National Symphony Orchestra will hold a concert at the Capitol at 8 pm, followed by the annual fireworks display on the mall.

Above average

Pay scale of Politburo high

MOSCOW, July 3, (Reuters): President Mikhail Gorbachev yesterday revealed that he and his colleagues in the top Kremlin leadership received salaries of between 1,000 and 1,200 roubles (\$1,600 to \$1,920) a month.

Gorbachev provided the figures during a debate in the Supreme Soviet, the upper chamber of the country's new parliament, on candidates for cabinet posts in the Soviet government.

Some of the salaries are five times higher than the average working wage.

According to official figures, the average wage in the Soviet Union is 200 roubles (\$320) a month, although most workers supplement this with overtime and bonus payments.

Justice Antonin Scalia, who joined yesterday to reverse the 1973 ruling, wrote, "It appears that the mansion of constitutionalised abortion law, constructed overnight in Roe vs. Wade, must be disassembled door-jamb by door-jamb."

Anti-abortion activists hailed the decision. "We are thumbs up all the way," said John Willke, president of the National Right to Life Committee. Elaine Bingham, a spokeswoman for Operation Rescue, said, "This is the first step in overturning Roe vs. Wade."

Such a reversal would leave states free to impose stringent regulations on — even outlaw — abortion. The decision is a blueprint for



Attorney Gloria Allred, left, and Norma McCorvey, the plaintiff Jane Roe in the US Supreme Court case that legalised abortion, tear up the Justice Department's brief calling for the reversal of Roe vs Wade during a news conference in Los Angeles on Monday. (Reuters wirephoto)

Abortion ruling hailed, hated

Debate rages on

Survey shows

Who has abortions?

WASHINGTON, July 4, (AP): Throughout the 1980s, about 1.5 million abortions have been performed on American women each year, according to a private survey.

The number climbed steadily after the 1973 Supreme Court decision legalising abortion — from about 750,000 to more than a million by 1976, the survey showed.

Who are the women seeking and obtaining abortions? The following statistics have been reported by the Alan Guttmacher Institute, a New York-based organisation that studies reproductive issues:

■ Women in their 20s obtain more than half of all reported abortions, about 55 per cent. About 24 per cent are obtained by teen-agers — 14 per cent by those aged 18 or 19.

■ About 42 per cent are obtained by Protestants, about 31 per cent by Catholics. Less than 2 per cent are obtained by Jewish women. About 22 per cent of those obtaining abortions belong to no religious denomination.

■ Women with family income below \$11,000 accounted for one-third of all abortions. That group comprises about 29 per cent of all women of child-bearing age.

■ White women have 68.6 per cent of all abortions. But non-white women, who make up 16.7 per cent of the childbearing-age population, have 31.4 per cent of all abortions.

■ About 63 per cent of the women obtaining abortions are unmarried.

controversy in the 50 state legislatures and in hundreds of political races for years to come.

Even before the ruling was handed down, anti-abortion crusaders said they were ready to pressure state legislatures to tighten restrictions on abortion.

"This is war against women," said Molly Yard, president of the National Organisation for Women. "Pretty soon nothing much will be left for a woman in controlling her reproductive life."

A woman seeking an abortion in any US state but Missouri won't have any more problem getting it tomorrow than she did before the new decision.

But abortion rights advocates fear that could change quickly.

More than a dozen states have laws on the books to restrict and even outlaw abortions, designed to take effect if the court overturned the 1973 ruling.

However enforceable they are, they provide an early look at the direction that some legislatures are likely to take following the court's ruling — and demonstrate the difficulty of the job confronting abortion rights groups.

The court also said it would review three more abortion cases next term, meaning the political struggle about to ensue will take place on terms that could shift again before the year is out.

Under this cloud of uncertainty, abortion-rights groups are vowing to make their issue a litmus test for candidates for state legislatures.

Their premise: If you can't trust the high court to protect your right to abortion, at least you can vote for state and local officials who will.

By 5-4 votes, the justices ruled that states may require doctors to determine through various testing whether a foetus at least 20 weeks old is "viable," or capable of surviving outside the womb.

Missouri and many states make it a crime to abort a viable foetus. Roe vs. Wade prohibited states from protecting foetal life

until the 24th week of a pregnancy.

The 1973 landmark decision also said a woman's decision to have an abortion during the first three months of pregnancy must be left to her and her doctor. It said states may regulate abortions during the second trimester only to protect the woman's health, and may take steps to protect foetal life in the third trimester. However, state authority to regulate abortions after the first trimester was not made absolute.

Among the 5-4 rulings Monday:

■ States may ban any public employee — doctor, nurse or other health care provider — from performing or assisting most abortions.

■ States may ban the use of any public hospital or other facility for performing most abortions.

On each point, Chief Justice William H. Rehnquist, Scalia and Justices Byron R. White, Anthony M. Kennedy and Sandra Day O'Connor joined to form a majority.

"I fear for the future," said Blackmun. "I fear for the liberty and equality of the millions of women who have lived and come of age in the 16 years since Roe was decided."

Rehnquist cited court abortion rulings since 1973 in upholding the bans on using public money, public hospitals and public employees for abortions.

"The constitution does not forbid a state or city ... from expressing a preference for normal childbirth," the chief justice wrote.

The number of US public hospitals that performed abortions in 1985 was 265, down from 331 in 1982, statistics indicate. About 12 per cent of the nearly 1.6 million abortions performed in the United States each year are paid for with public money.

In upholding the Missouri provision requiring foetal testing, Rehnquist, White and Kennedy criticised the trimester-by-trimester approach of Roe vs. Wade.

specifically forbids the withholding of food and water.

■ The US Supreme Court ruled yesterday that some government-sponsored religious displays are permissible as long as they do not have "the effect of promoting or endorsing religious beliefs."

By a 5-4 vote, the court said displaying a Christmas Nativity scene inside the Allegheny County Courthouse in Pittsburgh, Pennsylvania, violates the country's constitutionally required separation of church and state because it appears to endorse Christian principles.

US Supreme Court will hear right-to-die case

WASHINGTON, July 4, (Agencies): The US Supreme Court, in a landmark right-to-die case, said yesterday it will hear a plea from parents who want to disconnect the artificial feeding tubes that have kept their comatose daughter alive since 1983.

The case involves a 31-year-old Missouri woman who has received her nutrition through tubes implanted in her stomach after an automobile accident left her in a coma.

After doctors found that Nancy Cruzan would never recover from her "persistent vegetative state," Cruzan's parents in 1987 sought court permission to end the artificial support.

The family testified that Cruzan would not have wanted to be kept alive in her condition. She once said that, if sick or injured, she would not want to continue her life unless she could live "halfway normally."

A trial judge ruled that the parents could, in their role as guardians, tell doctors to stop feeding their daughter and let her die.

But the Missouri Supreme Court barred the family from taking such action. While Missouri law allows the withdrawal of artificial life-support systems from hopelessly ill and injured patients, it

NEWS IN BRIEF

Radiation traces

OSLO, July 4, (AP): A Soviet nuclear submarine that caught fire in the Norwegian Sea last week leaked small amounts of radioactive material, but it was not dangerous, a Norwegian researcher said today.

Radiation traces were found in a water sample taken two days after the Echo II class submarine surfaced billowing smoke and steam on June 26, said Finn Ugelstad, of the Norwegian Radiation Hygiene Institute.

The radiation of iodine-135, a fission by-product, could be traced to the damaged submarine, Ugelstad said.

Running after all

LIMA, July 4, (UPI): Leading presidential candidate Mario Vargas Llosa confirmed yesterday that he is returning to the race for the March 1990 election after having quit two weeks ago.

Vargas Llosa, a well-known novelist, said in an interview on Peruvian radio stations that he would resume his candidacy because of an agreement reached last week between two parties supporting his presidential bid.

Grenades fired

PAMPLONA, Spain, July 4, (AP): Suspected Basque separatists fired three rocket-propelled grenades at a paramilitary civil guard barracks residence today, but caused little damage and no injuries, a civil guard spokesman said.

The grenades hit the building in this northern city just after 9 am (0700 GMT), according to the spokesman, who was not identified in keeping with department custom.

Population decline

MOSCOW, July 4, (Reuters): Soviet Armenia is trying to halt a population decline after an earthquake killed at least 25,000 in December and ethnic unrest made refugees of tens of thousands.

Proposals under review included special payments to parents of large families and suspension of residency requirements to encourage refugees to return, said G. Poghosyan, a member of the Armenian Academy of Sciences.

Cuban official dies

WASHINGTON, July 4, (AP): Dr Guillermo Belt, a former official and ambassador from pre-communist Cuba and signer of the United Nations charter, died on Sunday near Washington, where his family has lived for 38 years. He was 83.

Arlington Hospital in suburban Virginia gave the cause of death as complications from abdominal surgery.

Mafia vendetta

PALERMO, Sicily, July 4, (Reuters): The Sicilian Mafia took revenge on one of its most damaging informers yesterday by gunning down two of his relatives in Palermo.

Salvatore and Giorgio Mandala were hit by a volley of rifle and pistol shots while driving home for lunch near the building site where they both worked.

Police said their murders were part of a vendetta against Totuccio Costantino, one of the first senior Mafia bosses to turn informer, whose evidence helped convict more than 300 gangsters at a mass trial in Palermo in 1987.

Ships collide

PANAMA CITY, July 4, (AP): Two ships collided in the Panama Canal yesterday, injuring four people aboard a tug, the Panama Canal Commission said.

The collision did not disrupt traffic in the canal.

A communiqué for the commission said the Philippine ship Ballena changed direction suddenly as it moved north in the Miraflores Locks and struck the Vojvodina, a Yugoslavian-registered vessel that was headed south.

Governor killed

MEDELLIN, Colombia, July 4, (Reuters): Antioquia State Governor Antonio Roldan and three of his bodyguards were killed today in a car bomb explosion near his home.

Antioquia police commander Colonel Antonio Sanchez Vargas said five people were killed in the blast as Roldan drove by on his way to a meeting of the regional security council.

Vargas said the bomb was triggered by remote control. The fifth fatality was not identified.

Roldan's driver was wounded in the explosion, which occurred two blocks from his home in western Medellin, a metropolitan police spokesman said.

Thatcher challenged

BRUSSELS, July 4, (AP): The newly elected leader of the British Labour group at the European Parliament said yesterday that his group would use the legislative body to challenge British Prime Minister Margaret Thatcher and her conservative government.

"We will put enough balls in the air at one time that she won't be able to catch all of them," said Glyn Ford, holding his first press conference after being elected leader of the 45 Labour members of the 512-seat European Parliament.

Investigations

LYON, France, July 4, (AP): Cardinal Albert Decourtray, the Archbishop of Lyon, said yesterday a commission of historians would investigate the relationship between Paul Touvier, one of France's most notorious Nazi collaborators, and the Roman Catholic Community.

Jewish migration

GENEVA, July 4, (Reuters): Jewish emigration from the Soviet Union in June was 3,965, the second highest monthly figure in 10 years, an international body which organises their transport said today.

Total Soviet Jewish emigration for the first six months of the year was 20,162, slightly more than for all of 1988, the Intergovernmental Committee for Migration (ICM) said.



One of two anti-communist demonstrators rushed to hospital after suffering injuries during a protest.



Police in full riot gear prepare to stop a march on the Polish Parliament. (Reuters wirephoto)

Opposition in Sejm

WARSAW, July 4, (AP): For the first time since the late 1940s, an independent opposition entered an East Bloc legislature today with 161 Solidarity-backed deputies taking seats in the 460-member Sejm.

Solidarity leader Lech Walesa and Polish leader Gen Wojciech Jaruzelski took seats near the front of the chamber in a ceremony broadcast live on state television.

"We are starting the term of the Sejm (Parliament) which may pass into history as a great one. It can fulfill the expectations of our society," said Zbigniew Rudnicki, 60, a senior member of the Sejm, who was chosen to preside over the session.

Lawmakers, called on by name, were asked to say: "I swear, to a revised oath in which they promise to work for Poland's good, without any reference as before to its 'socialist development'."

They were to elect permanent leaders to each chamber. Solidarity has announced that law professor Andrzej Stelmachowski will serve as marshal of the Senate while the leader of the Sejm, the name also used for the lower house, likely will be sociologist Mikolaj Kozakiewicz, a member of the Peasant Party.

The swearing-in took place against the backdrop of an intense political struggle over who the lawmakers will elect president in the two days when the Sejm and Senate meet together as the National Assembly.

Communist Party leader Gen. Wojciech Jaruzelski said Friday he did not want the post and recommended Interior Minister Gen. Czeslaw Kiszczak. However, Jaruzelski was believed to be reconsidering this week at the urging of some party members.

The key issue appeared to be whether Jaruzelski would survive a vote in the National Assembly, where the communist coalition has a 300-259 majority overall. Solidarity lawmakers have said they would vote against him if it was uncertain how many votes Jaruzelski could count on within his own coalition.

The presidential election is timed to take place before Sunday's scheduled arrival in Poland of US President George Bush.

After Bush leaves on Tuesday, the legislators immediately will face the problem of choosing a prime minister and appointing a government that must deal with Poland's skyrocketing inflation and severe food shortages.

The ruling communist Polish United Workers Party also faces the unprecedented situation of becoming technically a minority, no longer able to dictate to its two allied parties, the Peasant Party and the Democratic Party.

The communists will hold only 173 of the 299 communist coalition seats, with the increasingly restive Peasants and Democrats having 76 and 27 seats respectively and the remainder going to pro-government Catholic groups.

Because the new Senate chambers are not yet completed, the

Bush's Pole position

KENNEBUNKPORT, Maine, July 4, (AP): US President George Bush is preparing for his upcoming trip to Poland by staking out a position likely to go over well there — a call for the Soviet Union to withdraw its troops from the East bloc nation.

Bush, who leaves Sunday for a stop in Poland on his way to the European economic summit, said the Soviets should pull out of Poland and take "an historic opportunity to help end the postwar division in Europe."

The White House staff at his Maine vacation home released a text yesterday of an interview with a group of Polish reporters in which Bush made the proposal on Soviet troops. The interview on Friday marked the first time he has called for a total pullout.

The news came on a day when Bush also issued a statement applauding the supreme court's decision opening the door to more restrictions on abortions.

Bush said he welcomed the court's move to let states tackle the issue of how they want to limit abortion. "The court appears to have begun to restore to the people the ability to protect the unborn," he said.

Sejm and Senate scheduled staggered openings, with the Sejm meeting at midday and the Senate at 5 pm in the Sejm's chamber.

The Sejm is the main lawmaking chamber. The Senate will supervise its activities and have the right to veto any Sejm acts.

In a sign of the novel political situation, a leading opposition theorist yesterday proposed that Solidarity support a communist candidate for president in exchange for a union candidate taking the prime minister's office and forming the next government.

In another development, the military council, the committee of generals who oversee the armed forces, held an "extraordinary meeting" to discuss the Army's role in "the present internal and external situation," after a party plenum failed to name a presidential candidate.

In what appeared to be an indirect endorsement of Jaruzelski for president, the council said that it expects "the chairman of the state defence committee and the chief of the Army to be a person of proper competence."

Since losing the party leadership, Kadar's political legacy has come increasingly into question.

After guiding Hungary to relative prosperity and tolerance by the 1970s, Kadar was seen as an obstacle to political and economic reform in the 1980s.

When Kadar was stripped of his last political posts, he was accused of mistakes during his 32-year rule. Kadar replied in a published response that he had always acted only for the good of Hungary.

Kadar was named honorary chairman of the ruling Hungarian Socialist Workers' Party in May 1988 after being replaced by Grosz as party leader — a job he had held for 32 years.

Missiles in ME worry US

Arms control measures

WASHINGTON, July 4, (KUNA): The newest call for arms control measures in the US Congress is focussed not on the strategic issues between the US and the Soviet Union, but on the proliferation of ballistic missiles among Third World countries, including many in the Middle East, congressional sources said here yesterday.

The congressional concern is being voiced by Senator Jeff Bingaman, a Democrat from New Mexico, well-known for his pro-Israeli sympathies.

Bingaman wants new restrictions placed on US technology bought by foreign firms for developing missiles for Third World countries. His approach has been endorsed by the Senate armed services committee chairman

Sam Nunn and the Senate foreign relations committee chairman Claiborne Pell, the congressional sources said.

The moves are intended to give new powers to the State and Defense Departments to control technology exports under the Arms Export Control Act, which governs weapons systems transfers and the Export Administration Act, which regulates transfer of technology that has both commercial and military applications.

The congressional intent is aimed at improving compliance with the non-binding missile technology control regime that the US, Canada, the United Kingdom, France, West Germany, Italy and Japan signed in 1987.

Member countries, especially West Germany and Italy, have been criticised for not policing their manufacturers to assure that they do not help Third World countries develop ballistic missiles.

Bingaman said US firms do not purposefully violate the control regime. But US agencies are not providing adequate oversight of the transfer of US technology, he said.

This congressman's research showed that last year the Commerce Department's office of export licences identified 400 items that met the control regime's criteria for export restrictions. But commerce policy and technology office referred only 100 of them to the State Department for review.

Soviet deputy premier ousted

MOSCOW, July 4, (Agencies): The revamped Soviet parliament today ousted a deputy prime minister from office, rejecting the man who has directed foreign trade since it was reorganised two years ago by Kremlin chief Mikhail Gorbachev.

Vladimir Kamenshev, chairman of the foreign economic commission and one of several deputy prime ministers, was fired from both jobs by the Supreme Soviet despite a change in voting rules which was widely expected to save his candidacy.

His downfall following charges of bureaucracy and nepotism was seen as a blow to the prestige of Prime Minister Nikolai Ryzhkov who nominated him.

"I feel he (Kamenshev) does not have the moral and professional right to occupy this high position," Anatoly Sobchak, a Leningrad deputy, told the chamber before the vote. He said Kamenshev's bureaucracy stifled attempts to expand trade.

Sobchak also charged that in Soviet foreign trade organisations "most of the personnel have family ties with officials in party and state leadership."

Kamenshev received just 200 votes out of a total of 419 cast. Under newly-adopted rules he needed a majority of the 438 present to win.

A clearly disappointed Ryzhkov asked Sobchak to document his charges.

Proposed

"I realise Kamenshev's candidacy is lost and a new candidate must be proposed by the government," Ryzhkov said.

"This affair is past. But... deputy Sobchak accused Kamenshev of having relatives of his own in the apparatus. I ask to be presented with a list of these people," Ryzhkov said.

Kamenshev would have been elected last week had the voting rules been changed earlier.

When his name first came up for a vote last Thursday he failed to gain the support of more than half the membership of the Supreme Soviet which was required at the time.

Yesterday the rules were changed to allow a simple majority of deputies present to be sufficient to confirm a minister in his post. But in today's vote, unlike last Thursday, Kamenshev did not even win that much.

Kamenshev was the first minister to be ousted by the entire Supreme Soviet, although three ministers lost their jobs at an earlier stage when they failed to win the approval of parliamentary committees and Ryzhkov withdrew their names.

Defence Minister Dmitry Yazov kept his post thanks to the change in the rules, his support falling well short of an overall majority. Speakers accused him of being out of touch and failing to implement reform in the armed forces.

The Union of Soviet Writers has voted to reinstate Alexander Solzhenitsyn, the dissident chronicler of Stalinist terror who was ejected from the union in 1969 and kicked out of the country five years later, a newspaper reported today.

Gorbachev looks for economic support

Soviet leader in Paris



An old lady, surrounded by Gorbachev posters demands repayment to their families loans made to the Tsarist regime more than 70 years ago. (Reuters wirephoto)

Gromyko obituary reflects criticism

MOSCOW, July 4, (Reuters): Ex-President Andrei Gromyko, architect of Soviet foreign policy for nearly three decades, will be buried on Wednesday after lying in state to allow people to pay their last respects, the Kremlin announced.

But Soviet leader Mikhail Gorbachev, visiting France today, will be absent from the state ceremonies ending in the quiet cemetery of a former Moscow convent.

Sometimes known abroad as "Grim Grom," the stony-faced, veteran foreign minister personified for years a Western perception of Soviet policy as stern and unyielding.

An official obituary for Gromyko, who died on Sunday aged 79, apparently after a heart attack, described him as a "prominent figure of the Soviet Communist Party and State."

The obituary, signed collectively by the party and state leadership, was read out on the main evening television programme yesterday.

"The party and people have lost a true son. His vivid memory will always remain in our hearts," the obituary said. It described him as a major political figure whose diplomatic activities were widely known both at home and abroad.

Despite the praise, the words carried a slightly subdued tone, which apparently reflected recent criticism of Gromyko as a representative of a past discredited era.

At last year's Communist Party conference, one deputy called on Gromyko, then a member of the ruling Politburo and president of the country, to step down along with other figures from the period of former Soviet leader Leonid Brezhnev.

But Gorbachev, whose succession to the party leadership in 1985 was helped by Gromyko's support, paid tribute to the former foreign minister when he announced his death at the Supreme Soviet yesterday morning.

PARIS, July 4, (Reuters): President Mikhail Gorbachev began a state visit to France today anxious to enlist Western help for the shaky Soviet economy and political backing for his vision of a new Europe.

Gorbachev and French President Francois Mitterrand opened their first round of private talks after lunch in the Elysee Palace's Salon des Portraits with their wives Raisa and Danielle.

The three-day visit, following successful trips to Britain and West Germany this year, is part of Gorbachev's drive to dispel West European scepticism about the "perestroika" reforms transforming Soviet society.

"Everyone in France is interested in you and your actions," Mitterrand said in welcome remarks after the Soviet party aboard an Ilyushin-62 flew into a massive security operation at Orly airport.

Security sources said at least 3,000 troops and armed police protected the airport and the 18-km (11-mile) route to central Paris as helicopters hovered overhead.

They said the exceptional measures were partly for Gorbachev but mainly a dummy-run for the July 14-16 summit of the richest Western democracies which will bring US President George Bush and other leaders to Paris.

No signs of "Gorbymania" were sighted in France ahead of this visit, reflecting the Socialist government's cautious response to perestroika and Soviet disarmament initiatives.

A crowd of about 300 clapped as the Gorbachevs drove towards the Elysee along the stylish Faubourg Saint-Honore.

French and Soviet officials have said there will be no joint political declaration like the one signed between Gorbachev and West German Chancellor Helmut Kohl.

A high-level Soviet advance party has cultivated the French and foreign media in Paris for the past four days, arranging interviews and distributing bulky press kits.

A senior member of the group suggested today Gorbachev would not press Mitterrand to include France's independent nuclear deterrent in superpower talks on cuts.

"We are sensitive to France's argument that it has some time to wait until the two superpowers show their discussions on disarmament are serious," central committee member Andrei Gratchev said on French radio.

The Soviet officials at times have been startlingly frank about the economic crisis in the Soviet Union as it moves from rigid central planning to a more liberal system.

Bush pledges support

Turks flee humiliation in Bulgaria

ANKARA, July 4, (Agencies): US President George Bush telephoned premier Turgut Ozal yesterday and promised continued US support for Turkey in resolving the problem of ethnic Turks in Bulgaria, the premier's press office announced.

The announcement said Bush also expressed his regrets over the treatment of ethnic Turks who have been forbidden by Bulgaria to use their Turkish names, to speak Turkish and to practise Islamic rites.

Tens of thousands of ethnic Turks have arrived in Turkey from Bulgaria since May. Officials said the number of immigrants reached 100,000 by the end of the weekend.

The ethnic-Turkish minority numbers at least one million in a total population of nine million in Bulgaria.

Turkey has asked its Western allies and the Soviet Union to put pressure on Bulgaria to stop the oppression of the Turkish minority and to agree to talks for an immigration agreement.

The US government so far has given Turkey support through statements deploring Bulgarian

treatment of ethnic Turks. Refugees flooding into Turkey fear reprisals against relatives left behind in Bulgaria and say Sofia is still campaigning against them.

"We wanted to come here. There is no life for us there anymore," said a frail old woman in tears after stepping across the Bulgarian frontier and kissing Turkish soil.

Like an increasing number of ethnic Turkish refugees she said she feared giving her name to reporters in case it triggered reprisals against relatives remaining in Bulgaria.

Latest arrivals among about 106,000 mainly Muslim ethnic Turks who have fled since mid-May to escape forced assimilation in Bulgaria speak of continued jailing, beatings, split families and other humiliations.

"Even now, if they find a man or boy who has been circumcised they jail him for at least 18 months" and a 20-year-old refugee, who gave his name as Filipov, said "they (the Bulgarians) are not allowing young men born between 1971 and 1973 out because they want them to do military service," said a woman.

Janos Kadar rushed to hospital in critical condition

BUDAPEST, Hungary, July 4, (AP): Hungary's longtime leader Janos Kadar who was rushed to hospital yesterday with pneumonia and severe breathing and circulatory problems is in "critical" condition, Hungarian Radio reported today.

Hungary's Communist Party chairman Rezo Nyers and party General Secretary Karoly Grosz visited him in hospital today, Radio Kosuth reported.

The terse radio report described Kadar's condition as having "turned critical," but

gave no further details. Communist Party spokesman Emil Kimmel told the AP a medical report would be issued later in the day, but refused to give any further details.

Kadar, 77 was stripped of all his Communist Party posts in May after he was reported gravely ill.

Kadar was named honorary chairman of the ruling Hungarian Socialist Workers' Party in May 1988 after being replaced by Grosz as party leader — a job he had held for 32 years.

Filipinas still perform fertility dance

OBANDO, Philippines, July 4, (Reuters): Every summer, childless women flock to this fishing town 16 km (10 miles) north of Manila to dance and pray in a centuries-old religious ritual they hope will bring them motherhood.

Childless after three years of marriage, Asian Development Bank clerk Susan Ramos swayed before the church altar to

the beat of a fandango, along with businesswoman Evelyn Cruz, barren for 10 years. "My husband has a low sperm count," Ramos said. "We are trying our luck here. Faith is all we have left."

The fertility rite dates from an 18th century, legend about a childless wife who was supposedly told by a street vendor to try dancing in the church at Obando.

As she danced before the altar, the woman saw that the image of the patron saint bore the street peddler's face. Soon, legend says, she was pregnant.

"There are no miracles, just coincidences," said father Roberto Lunod, director of an Obando Catholic school. "Apart from praying to God, they also consult the doctor."

But Lunod agrees with some outspoken church members who believe Catholic teachings and tradition impede a solution to the urgent issue of population growth in the Philippines.

The church in the Philippines, Asia's only Roman Catholic country, follows traditional teaching, forbidding artificial birth control.

Global warming high on agenda

WASHINGTON, July 4, (Reuters): Threats to the environment will be high on the agenda of this month's Paris economic summit, including global warming, oil spills, ozone depletion and tropical deforestation, US officials say.

"The environment is something that has become a very central focus for all countries," said a State Department official before the July 15-16 seven-nation summit in Paris.

This contrasts starkly with last year's summit, when the United States and Canada vainly tried to push environmental issues. The topic barely attracted the attention of summit partners Britain, France, Japan, Italy and West Germany.

This year "they came to us," said one US official in a comment on the changed priorities. The Paris summit is also expected to discuss acid rain, hazardous wastes and ocean pollution.

Last year's severe drought in North America and elsewhere, as well as systematic destruction of forests in poor developing countries in South America and Africa have heightened political awareness of environmental issues, particularly global warming.

Burning fossil fuels is considered a major factor in the so-called "greenhouse effect" — a gradual rise in temperatures as the atmosphere fills with industrial gases that trap the earth's warmth. Deforestation is seen as another cause of global warming.

While not all scientists are in agreement that the earth's climate is gradually warming, many prominent researchers have predicted a gradual rise of temperatures by as much as two to three degrees Centigrade (3.5 to 5.5 degrees Fahrenheit) over the next century.

The leaders are likely to discuss this trend and ways to learn more about it but they are not yet ready to begin negotiating an international agreement, a White House official said.

The leaders are also likely to discuss ways to improve forest management and provide financial aid for developing nations to control air pollutants.

The largest concentration of police and security forces the French capital has ever seen during peacekeeping has been mobilized for this month's summit of industrialised democracies and bicentennial of the French Revolution, the government said yesterday.

Interior Minister Pierre Joxe said 30,000 men and women have been assigned to provide security during the week of July 10 to 17, when about 30 heads of state and government will be visiting the French capital.

Irish seek coalition

DUBLIN, July 4, (AP): The Irish Parliament yesterday gave Charles Haughey three days to form a new government.

If he fails, political observers say another general election seems certain.

Haughey's Fianna Fail Party failed by six seats to gain a majority in the June 15 election. His minority government, elected 28 months ago, had called the snap election in hopes of gaining a parliamentary majority in the 166-seat Dail, or parliament.

Haughey told the Dail yesterday that a new election was a "doomsday solution" and asked for the extra time to gather enough backing for a fifth term as prime minister.

Haughey resigned last Thursday after he failed to secure re-election as prime minister by a margin of 86 votes to 78.

Workers demand higher wages

Strikers attack Dhaka bus passengers

DHAKA, July 4, (Reuters): Nearly 50 people were injured when factory workers attacked a convoy of buses leaving Dhaka during a general strike that disrupted life across Bangladesh today.

Witnesses said a crowd stopped the buses near Nayarhat, 35 miles (60 km) north of Dhaka, smashed windows and beat passengers with sticks and rocks.

Doctors in a nearby hospital said more than a dozen people were treated. Police said four

people had been arrested.

In Dhaka, people trying to reach their offices were pelted with stones and only a few trains ran under heavy police guard.

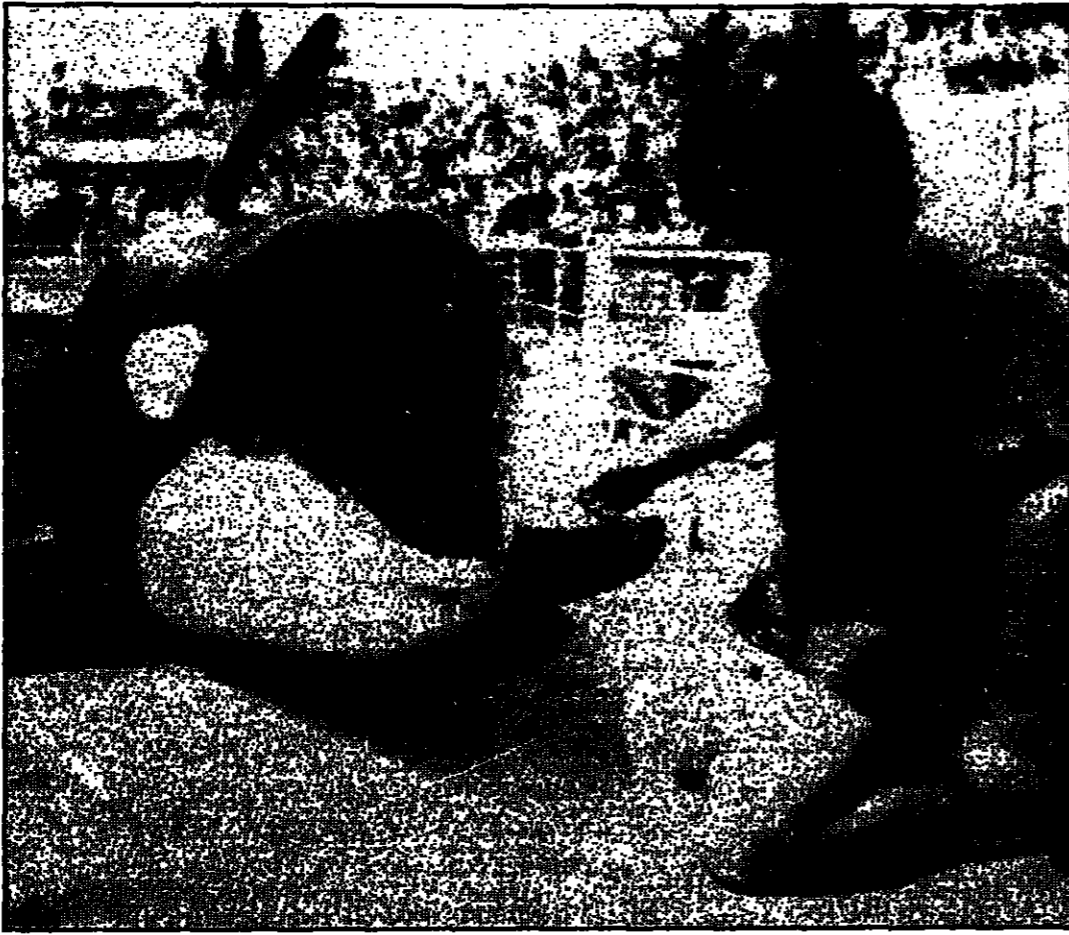
Witnesses said strikers jeered at policemen, deflated rickshaw tyres and blocked railway tracks. Ferry services were partially disrupted and the national airline Biman operated domestic flights with few passengers.

The 24-hour strike shut most industries,

ports, banks, schools and businesses.

More than three million workers in hundreds of factories stayed away from work to support union demands for a 60 per cent increase in cost of living allowances.

Fifteen labour federations with total membership of more than three million also want the government to scrap plans to sell some state-owned banks and factories and to take back control of those already handed over to the private sector.



The killer whale

Measuring 15 metres long and weighing in at 3,000 kg, "Jiffies" the killer whale will soon need new quarters at the Barcelona aquatic park where he is

pictured on Monday with one of his handlers. Officials have not yet decided where he will be moved to. (Reuters wirephoto)

\$100m aid for Philippines

Donors move to bolster democracy

TOKYO, July 4, (Agencies): Japan pledged an extra \$100 million for the Philippines today and Western Europe said it would almost triple its aid as international donors moved to bolster the 3-year-old democracy.

Philippine Foreign Secretary Raul Manglapus praised the international benefactors for a "solemn act of humanitarian justice" and vowed to pay back all loans.

"We renege on no obligations," Manglapus said. "Our word remains as hard as gold."

The declarations came at a conference of 19 countries and seven international organisations that provide aid to the Philippines. The meeting is intended to help donors co-ordinate aid better and to heighten their support for the economic and social reforms under the government of President Corazon Aquino.

Tomorrow, the conference is to end with a pledging session at which donors are to state their intentions on future aid in response to calls for a kind of Marshall plan — called the multi-lateral aid initiative — to provide \$10 billion to the Philippines over five years.

But the pledging started a day early when US Secretary of State James Baker, en route to Southeast Asia, made a one-day stop in Tokyo to stress the importance the United States places on bolstering democracy in the Philippines.

The aid initiative "is critical to the future of Philippine democracy," Baker said, praising Aquino's "persistence in reviving democratic institutions" since the ouster of President Marcos in 1986.

Baker said the Philippines' reform plans need buttressing by foreign aid and he noted that US

President George Bush has asked Congress for \$200 million a year, to be combined with other aid. In all, the US administration hopes to supply \$658 million in aid to the Philippines in fiscal 1990.

Japanese Foreign Minister Hiroshi Mitsuoka pledged 135 billion yen, just under \$1 billion in the current fiscal year, an increase from \$899 million committed in the past year. Japan has supplied about half of the Philippines' bilateral aid in recent years.

French Ambassador Bernard Dorin, speaking for the European Economic Community, said aid from EEC members would be "almost three times" the annual average of recent years, which was 110 million

ECU (European Currency Unit), or \$117 million. The new level of European aid, to be announced in detail tomorrow, thus would be about \$350 million a year.

Dorin and Mitsuoka stressed that donors will monitor how the aid is used. Manila admits there are problems in management of development programmes and in the country's capacity to absorb large loans, but says it is improving its performance.

"We will be closely following future developments in this regard," Mitsuoka said. He called on Aquino's government for "utmost efforts, in response to the enthusiasm of the international community, in ensuring efficient and effective implementation of development assistance."

Japan did not make a multi-year pledge of aid. Foreign Ministry spokesman Taizo Watanabe said each year's budget would be decided when the time comes, but he indicated Japan was aware of the continuing need.

"We believe the coming several years will be critical to the reform of the Philippine economy," Watanabe said at a briefing for foreign journalists.

Baker said the large Japanese contribution to the aid initiative "exemplifies the kind of leadership befitting a global economic power."

Japanese Prime Minister Souda and Baker today agreed China should not be forced into isolation after its suppression of the pro-democracy movement last month, a Foreign Ministry official said.

"We think it is important that China must not be forced into isolation," Uno was quoted as telling Baker in reference to international protests against China's crackdown.

The Japan Times English language daily said in an editorial that the party's conservative leadership is doomed unless miracles occur in the July 23 election.

Six top Japanese politicians, including former Prime Minister Yasuhiro Nakasone, were given free use of limousines by large Japanese companies, a daily newspaper here said today.

Maimichi Shimbun said Nakasone, former Defence Agency Director Koichi Kato, former Agriculture Minister Tsutomu Haneda and three other leading members of the ruling Liberal Democratic Party admitted they had accepted use of the cars.

Nakasone was given use of a 9.17-million-yen (\$65,500) Cadillac by pharmaceutical company Nihon Zouki, Maimichi said.

Uno is a millionaire, his office said today.

Uno has nearly 280 million yen (\$2 million) worth of assets, excluding loans, and is the second wealthiest minister in his cabinet.

Seven of his fellow 21 cabinet members are also millionaires, figures released by Uno's office showed.

Japanese vote may determine LDP fate

TOKYO, July 4, (Reuters): A top Japanese minister suggested today the Liberal Democratic Party (LDP) may have to relinquish its 34-year hold on power if it fares badly in parliamentary elections later this month.

The LDP, which has held power on the national level since 1955, suffered a major setback in Tokyo Assembly elections on Sunday, losing 20 seats.

If the LDP suffers a similar setback in the upper house elections, one idea would be to give up power to the opposition, Trade and Industry Minister Seikuro Kajiyama told reporters.

He said his remarks were a personal opinion and did not represent the view of the cabinet.

Half of the 252 seats in the upper house are up for grabs in the July 23 election. The LDP must win 54 seats if it is to retain a majority in the upper chamber, which basically rubber stamps lower house decisions.

Lower house elections, which determine the shape of the government, could be held later this year.

The LDP has seen its support ebb because of the Recruit shares-for-favours scandal, an unpopular sales tax allegations of sexual misconduct by Prime Minister Souda and farmer anger at agricultural market liberalisation.

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Europe worries ASEAN

Formation of a single market

BANDAR SERI BEGAWAN, Brunei, July 4, (AP): Southeast Asian foreign ministers, ending their annual meeting today, expressed concern over the formation of a single European market in 1992 and reaffirmed a unified stand on resolving the Cambodian war.

Cambodia dominated the two days of talks among the ministers of the Association of Southeast Asian Nations — Brunei, Indonesia, Malaysia, the Philippines, Singapore and Thailand.

From Thursday through Saturday, the ministers are to meet counterparts from their "dialogue partners" — Australia, Canada, Japan, New Zealand, the United States and the 12-nation European Economic Community.

Senior ASEAN officials, speaking on condition of anon-



Military still controls

People's Liberation Army guard stands under the portrait of the late chairman Mao in Beijing's Tiananmen Square. The military continues to control the square, one month after they brutally suppressed the pro-democracy movement. (Reuters wirephoto)

NEWS IN BRIEF

Deputy ministers promoted

NEW DELHI, July 4, (KUNA): Indian Prime Minister Rajiv Gandhi today promoted five deputy ministers to the rank of minister of state and made minor changes in portfolio of some of his junior colleagues.

Those promoted are Mahavir Prasad, D.L. Bhatnagar, P. Namgyal, Suresh Chandra, R.K. Malviya. Giridhar Goudar, has been given independent charge of Communication Ministry. Rajiv was himself looking after the ministry following the death of Birbadar Singh last month in Paris due to a heart attack.

D.L. Bhatnagar will be minister of state for defence production. He replaced Chintamani Panigrahi, who was appointed governor of the north-eastern state of Nagaland on Saturday.

Rafiq Alam Khan, who was serving in Textile Ministry, was shifted to Health and Family Welfare Ministry. Saroj Kharrade will be new minister of state for textile.

Minister of State for Parliamentary Affairs M.M. Jacob has been given additional charge of water resources. Another Minister of State Krishna Sahi will be now minister of culture.

Nepal govt. criticised

KATHMANDU, July 4, (Reuters): Nepal's usually docile National Assembly has attacked the government over its handling of a prolonged trading feud with India.

Nepal has suffered fuel and other shortages of essential commodities since India abruptly cut off petroleum supplies and restricted border trade almost three months ago.

The two countries disagree over terms of trade and transit rights for the landlocked Himalayan kingdom wedged between India and China.

New Delhi is also concerned about Nepal's alleged harassment of Indian nationals and the kingdom's growing ties with China, including its purchases of Chinese anti-aircraft guns and other weapons last year.

Assembly member Yadav Prasad Pant, a former finance minister, said Nepal faced a severe economic crisis if the situation did not change. He said annual per capita income would drop to \$60 from about \$160.

Benazir to meet Queen

ISLAMABAD, July 4, (KUNA): Prime Minister Benazir Bhutto will start a week-long official visit to Britain from tomorrow followed by a five-day official visit to France, a Foreign Ministry statement said here last night.

It said that after holding talks with British Prime Minister Margaret Thatcher, Benazir would call on Queen Elizabeth and meet a cross section of British parliamentary leaders.

Benazir would also be awarded an honorary doctorate from Oxford University, in which she had studied.

Informal sources said that one of the important subjects of her discussion with British leaders would be the re-entry of Pakistan in the British Commonwealth. Her late father Prime Minister Zulfikar Ali Bhutto had walked out of the Commonwealth agreement in 1972 when several member states of the Commonwealth, including Britain, had recognised the break-away independent state of Bangladesh, then a part of Pakistan, following the December 1971 Indo-Pak war.

2 drowned in flash floods

DHAKA, July 4, (AP): Flash floods inundated 50 villages and drowned at least two people after tributaries of the Brahmaputra River burst over their banks, officials and news reports said today.

Relief Ministry officials said the floods started yesterday in the northern and eastern regions of the country after summer monsoon rains swelled the rivers. They said at least 50 villages were inundated and rice crops damaged.

At least two people were swept away by rising river waters in the Bandarban district, 250 kilometres (150 miles) southeast of Dhaka, police in the area said.

Sangbad, a Dhaka-based newspaper, said at least 20,000 people were marooned by the floods in the northern district of Rangpur.

Chinese students call for support

PARIS, July 4, (Agencies): Two prominent Chinese dissidents today appealed to compatriots world-wide to join a peaceful movement and rekindle the spirit of pro-democracy protests crushed in their homeland a month ago. They announced the establishment of an organisation to carry on the fight for freedom in their homeland.

Both men escaped to the West after the bloody June 4 crackdown in Beijing.

Student leader Wu'er Kaixi and top intellectual dissident Yan Jiaqi issued a written statement from their hiding place calling on "people who love freedom around the world" to support their movement.

They also renounced violence, saying that Chinese leader Mao Tse-tung's adage that political power grows out of the barrel of a gun, "cannot lead China to true freedom, liberty and democracy."

"The movement for democracy has flooded its banks like the Yellow river, read the statement, which was obtained from Hong Kong activists who helped smuggle the two men to safety last month.

"At present China is shrouded in silence but that just means that a new and bigger storm is brewing," the statement said. But the movement is "unstoppable. Despite the unprecedented white terror, the Chinese student movement and the movement for democracy are still alive," it said.

Awarded

The men, who are wanted by Chinese police for heading two illegal organisations, also proposed that Beijing demonstrators gunned down by the Chinese Army on June 3-4 be awarded the Nobel prize.

One woman student leader, Chai Ling, of Beijing Normal University, has already been nominated for the 1990 prize by two members of the Norwegian parliament.

The statement called on all Chinese to set aside Sept 12, 100 days from the June 4 invasion of Beijing, as a day of remembrance for the hundreds who died in and around Tiananmen Square.

The pair savagely attacked senior Chinese leader Deng Xiaoping, Premier Li Peng and President Yang Shangkun, who ordered the crackdown.

The dissidents called for a public trial of those who ordered the assault on Tiananmen and for the restoring of the Goddess of Democracy, a statue made by students, to "her rightful place in the middle of the square."

"The massacre, carried out by the reactionary clique of Deng, Li and Yang was not just a crime against China's students and people but also a challenge against the basic principles of life and all humanity," the statement said.

The two said the student movement in which they participated was part of a historical campaign in China for democracy.

Strike paralyzes Bombay

BOMBAY, July 4, (AP): Rioters smashed buses, a bomb was detected at a railroad station and at least three people were reported killed during an 18-hour strike yesterday in Maharashtra state, news reports and police in the state capital of Bombay said.

Factories closed, and the stock exchange was deserted as the strike called by right-wing groups to protest Sikh extremism paralyzed this commercial capital of India, officials said.

The deaths occurred in Chikli town, 375 kilometres (230 miles) west of Bombay, when police opened fire on a mob of about 5,000 people, state police chief S.V. Bhavare told reporters.

The strike was called to protest the June 25 killing of 26 Hindus by Sikh extremists in Moga, a town in northern Punjab state.

The victims belonged to a Hindu fundamentalist organisation called the Rashtriya Swayamsevak Sangh, the national volunteer force, authorities said.

The force was one of the organisers of yesterday's strike that began at midnight and ended at 6 pm (12.30 GMT). Other organisers were the opposition Bharatiya Janata Party, or the Indian people's party, and the Shiv Sena or Shiva's Army.

State-run television broadcast footage showing deserted roads and closed shops in Bombay, a city of nine million people.

Defendant in Palme case refuses to answer questions

STOCKHOLM, July 4, (AP): The man accused of killing Prime Minister Olof Palme refused to answer further questions in court today, charging that the prosecutors were unfairly trying to convict him.

"It does not matter what questions you ask, so I will not answer your questions," said the defendant, Christer Pettersson, a 42-year-old Swede with a history of violent crime and drug abuse.

Pettersson has denied killing Palme, a four-term prime minister who dominated Swedish

politics for more than a decade until his death Feb 28, 1986.

Looking pale and tired, Pettersson interrupted when prosecutor Anders Helin was about to start questioning him for a second time.

"You have done everything to cast doubt on witnesses supporting my case. Imagine if you had carried out such careful investigations with the other witnesses," Pettersson said.

He currently referred to tough cross-

examination of a defence witness yesterday who supported his alibi that he was in a commuter train station 30 kilometres (17 miles) away at the time of the shooting.

Palme's widow Lisbeth has identified Pettersson as the man she saw immediately after her husband was shot while the court walked home from a downtown movie.

Earlier today, defence attorney Arne Liljeros tried to discredit Mrs Palme's testimony by calling Stig Engstrom, one of the first bystanders to rush up to the dying Palme,



Baker

Gulf executives enjoy better opportunities

Research project results

KUWAIT, July 4, (KUNA): A research project has revealed that executives in the Gulf area have greater opportunities for higher education and management training than their counterparts in five major industrial countries.

Assistant Undersecretary for Administrative Reform Affairs at the Employees Diwan Dr Nasser Al Sane, who took part in a research project grouping 177 Gulf executives, indicated that figures have it that Gulf executives have received better education and receive better training than their colleagues in US and Britain.

Sane was part of a research team which comprised experts of the Athens-based Bureau for Industrial Relations in the Middle East and the Administration

college of London University. The project was themed "Shaping Gulf Executives."

Kuwait Petroleum Corporation (KPC) and Kuwait Airways Corporation (KAC) were among 18 Gulf firms, which financed the research.

Speaking exclusively to KUNA, Sane said that Kuwait's sample grouped 23 executives, although the recommendations exceeded this figure.

He noted that the project aimed at getting to know the experiences of successful Gulf executives, in an effort to shape future executives.

Sane pointed out that the research disclosed that successful executives must have received good family upbringing, quality education and early experience, stressing

that those three factors should be taken into account when shaping a successful executive.

The assistant undersecretary said that interviews conducted unveiled that 91 per cent of successful executives are holders of college degrees, and 71 per cent said early responsibility in an individual's career guides him to success.

Sane said that 65 per cent of those interviewed said that Islamic and Arab values have led them to where they are now.

More than two-thirds of the sample recommended reading as a method to improve one's self.

85 per cent have attended training courses or conferences. A Gulf executive

receives an average of eight days training, compared to five by an American and one by a Briton.

Nearly 65 per cent owed their successful careers to the support and guidance by their present and former bosses, while some emphasised the importance of possessing good knowledge.

Also, research revealed that 14 of the 53 firms, included in the study, own professional upgrading systems. Some firms invite their staff to open discussions toward resolving problems that might arise.

In conclusion, Sane urged Gulf officials in the various sectors to attach special attention to utilizing human resources available in the area.



Ambassadors designate

State Minister for Foreign Affairs Saoud Mohammed Al Osaimeh received on Monday the copies of credentials of ambassadors designate of the Republic of Korea, Cuba and the Republic of Mauritius. Picture shows the ambassador designate of Cuba, presenting his credentials to Osaimeh while an official of the Foreign Ministry looks on.

MTSC contract

KUWAIT, July 4, (KUNA): Mobile Telephone Systems Company has signed a contract with a company specialised in telecommunications to import and operate a new portable phones system at a value of KD 13 million.

Head of the public relations division at the company Sheikh Hamad Nasser Al Ali Al Sabah told KUNA today that such a step is meant to provide an advanced service to MTSC subscribers.

He added the project will be completed in 77 weeks.

Yugoslav envoy

KUWAIT, July 4, (KUNA): Advisor at the Amiri Diwan Abdul Aziz Hussein today received Yugoslav Ambassador to Kuwait Hassan Darvisbegovic.

They reviewed the amicable relations between the two countries and means of boosting bilateral co-operation particularly in cultural fields.

Coach compensated

The Court of Misdemeanours ordered a local sports club to pay KD1,258 to a coach who was sacked by the club because the results of his team were bad. The coach joined the club only for one year and did not succeed with the team. The angry club chairman sacked him and when he asked for his compensation, the chairman refused. The coach complained to the court which estimated the compensation at KD1,258 and ordered the club to pay the amount.

Farewell

The staff of the Philippines embassy in Kuwait last week hosted a farewell reception for Ambassador Designate Fortunato Obiena, who leaves shortly to take up his new post in the UAE. It was organised by the embassy staff, in co-operation with all Filipino associations in Kuwait, including FLASSIK, PBAK, Filipino Cultural Club and KAPILKU. It was inadvertently mentioned in Sunday's issue that the farewell was hosted by only KAPILKU.

Spare part thieves

ARMADIL detectives arrested two men for stealing spare parts of cars. The two accused identified as Hussain A. and Mohammad M. were arrested when in possession of stolen spare parts at their residence.

The suspects have been remanded to custody for further investigation.

Haj accident

A TRAGIC road accident between Makkah and Al Madina in Saudi Arabia resulted in the death of a Kuwaiti citizen and four expatriates. A local daily reported that the incident which occurred last Tuesday, involved the Kuwaiti citizen identified as Saud Mutlaq Al Duwaili, his brother, a driver and a number of workers. They were proceeding in a Kuwaiti caravan from Al Madina to Makkah.

The caravan collided with a truck parked in the middle of the road which resulted in the instantaneous death of Saud, three Sudanese workers and a Pakistani worker. Saud's brother suffered minor injuries, the daily reported.

Youth demand entry to recreational facilities

Girls are the problem, say boys

YOUTHS, particularly bachelors and teenagers have been accused of disturbing and harassing families at recreational areas and sea fronts. The Hawalli Governorate has formed a team to follow up and keep a close eye on these delinquents to prevent such acts.

A local daily interviewed a number of youths and families who visit these locations.

Youths have attacked girls by saying that they (girls) are the biggest part of the problem and that they should be blamed for such acts. A bachelor will not harass a girl unless he finds positive response from the other side, one of the teenagers said.

A large section of teenagers demanded permission to enter recreational areas which are presently reserved for families only. They stressed that reckless behaviour of a few should not be generalised. One of the teenagers said that he fears a day may come when they are prevented from going outside their houses.

On the other hand, families pointed out that preventing bachelors and teenagers from entering recreational areas will not solve the problem. They called upon officials to indicate specific days during which bachelors can be admitted to such areas.

Jamal Nasser said that teenagers are always accused by the society as if youths come from another planet. He added that

youths are misunderstood and harassed. Most of us come here for enjoyment and recreation. Are we requested to stay at our houses? he asked.

Abdul Hakeem Abdullah said that most of the time, he feels as if he is being followed or watched by somebody while walking at the sea front. It is not fair that families are given the right to enjoy touristic and recreational areas while youths are deprived of it, he added.

Unfair

Ahmad Bebbahani said that they face many problems when thinking of going outside their houses for recreation. We are sometimes forced to ask families for permission to enter places which we are prohibited from going into. Some of the families refuse and others feel sorry for us and pretend that we are members of the family. He pointed out that locations which do not permit young men to enter are increasing, like the Shaab Public Garden, the Entertainment City and other Public Gardens.

He added that he does not deny the fact that most youths should be held responsible for harassment, but said that the other side should be blamed too. He urged both sides to discipline themselves and to prevent themselves from misbehaving.

Ahmad Jaseem Al Saffar said that they are not asking for the impossible, but to be permitted

to enter recreational areas provided by the government to citizens and residents. We enjoy our times at these places, and we accept a call to indicate specific days for youths at all recreational areas. He believes that this will resolve the problem, and said that there is nothing wrong with watching girls who usually dress to be admired.

Faleh Nbor Amer said that most of the disturbing incidents which families are exposed to by most youths and teenagers mainly reflect the youths' behaviour inside their homes. Adel Mohammed Al Shimari said that many youths who go to family limited areas seek marriage. He does not believe that it is a crime when a youth searches for his future wife.

Abdullah Al Osaimeh said that many families come to the sea front and other places to enjoy these facilities and to spend a wonderful time away from the daily routine. He said that he does not blame youths because it is natural that youths can't stand being locked in their houses.

Hammad Al Osaimeh said that the problem has become noticeable at all recreational areas. Incidents of harassment increase during weekends and holidays. He believes that the main cause of the problem is girls because they tease youths. He stressed that indecent clothes attract some youths and induce them to commit unsocial acts.

Director of Amiri Hospital

'Health criticism exaggerated'

THE director of the Amiri Hospital, Dr Abdi Al Ghanem stressed that because of the luxurious life of Kuwaiti society minor shortcomings of services are viewed in an exaggerated manner.

He said he supported people's views that Arab staff should be increased and added errors could be prevented if strict measures were taken by the ministry against violators.

Ghanem praised the level of dentists pointing out to the fact that they exert considerable efforts in providing services. Meanwhile, he criticised clinic doctors and said that they should keep abreast with latest medical developments.

Inspections

He said that surprise inspections of hospitals are conducted twice or three times every month. Most of the surprise inspections are conducted during shift hours

which is very accurate and important. He added that these inspections reduce problems and are intended to reveal and rectify some aspects within hospitals. He stressed that discipline is a very important aspect and should be strictly enforced at all level of health services.

Ghanem said that he does not deny that hospitals encounter problems, one of the patients died during surgery, and investigation is being conducted to determine the causes of death, the official said.

He pointed out that the number of Kuwaiti doctors at the Amiri hospital represents 30 per cent of the number of doctors.

Nursing

He stated that the Ministry of Public Health should expand the nursing institution in order to overcome problems represented by complaints regarding the non-Arab medical staff. He stressed

that more incentives should be granted to nursing staff to encourage Arab nurses to join the profession.

Generally speaking, dental services in Kuwait require a bigger number of specialised centres, he said, and added that the Ministry of Public Health suffers from shortage in dentists. The dental section at Amiri Hospital is attached to a special department outside the hospital administration. He pointed out that Um Al Haiman Health Area requires a new hospital. Most emergency patients are being transferred from the clinic to Al Adan Hospital which is far from the area, the official said.

Nearly 2000 different surgeries are conducted monthly in Kuwait's hospitals, and 80 per cent of clinics problems could be resolved after the family doctor system has been fully implemented Ghanem said.

Education committee to submit final report

THE assistant undersecretary of the Ministry of Education for Planning and Development Dr Rasheed Al Hamad has said that sub-committees set up to study the course system at ministry schools will submit their final report to the main committee this week. He added that the report will recommend aims, courses, evaluation of the system, manpower and the financial costs. He added that this study is based on previous studies of the course system.

Hamad pointed out that the aim of establishing the main committee to study the course system is to make an inclusive evaluation study for the system in the secondary stage. The study also aims at developing the system to cope with the Five-Year Plan of the ministry and provide an opportunity to develop abilities of outstanding students.

On the other hand, Hamad said that the Education Ministry and Public Works Ministry began co-ordination to draw up plans for designing the new building of the Ministry of Education that will be built in south Surrah area. The new building will contain all departments of the present premises in Murgab area and some other departments outside Kuwait City except the educational areas and its buildings in Shuwaikha area.

Handicraft units

THE Chairman and Managing Director of the Grand Stores Company Nasser Mohammad Al Rashid has said that the company recently finalised the preparation of 117 handicraft units in Sulabiya, which will be distributed amongst the citizens meeting the qualifications set down by the company.

He said in a televised interview by Kuwait TV that as many as 2090 citizens had so far applied to benefit from the company's offer, and that the company would arrange for all necessary marketing services for the units' output, as well as the supply, accounting and administrative requirements.

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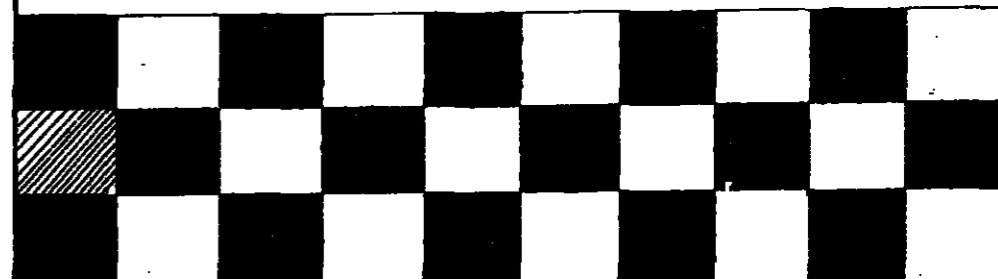
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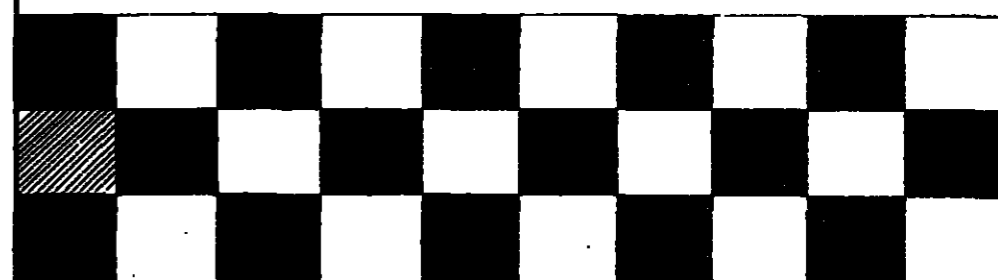
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Chambers must provide business details

Commercial information bank proposed

AN ECONOMIC study conducted by Kuwait Chamber of Commerce and Industry has called on the Chambers of Gulf states to provide importers in the area with precise details of foreign producers of commodities needed by Gulf markets and advance warning on financially unstable establishment.

The study also called on these chambers to investigate the commercial reputation of companies and individuals in the states of the area. The study added that joint

chambers of commerce can offer the service of inspecting the exported items for the GCC states to ensure that agreed specifications are met.

The study added that Gulf chambers can co-operate with Arab-foreign joint chambers to finance and establish an Arab-European information bank that provides the Gulf states in particular and Arab countries in general with latest investment, commercial and economic information as well as different economic

analysis that are issued in Europe. The same establishment could provide Europe with information on Arab and Gulf states.

The study pointed out that joint chambers in Europe can offer vital services in the field of training and education by guiding Gulf chambers to the best training and educational institutions in Europe specialised in economic and commercial fields.

The study showed that there is no Arab Gulf citizen working at any joint chamber except the Arab-American national cham-

ber that was established in Washington recently. The compensation offered by these joint chambers do not attract citizens of the GCC states to leave their countries and work at these chambers, it added.

The study called on the Gulf chambers to demand stronger representation in the Arab-foreign joint chambers in Europe and America. The Gulf chambers have a significant role in financing activities and projects of the joint chambers, the study added.

Over KD 1 billion allocated to projects

MEW tops list

By Jamal Amin

ASSISTANT Undersecretary for Programmes and Follow-Up Affairs at the Ministry of Planning Bader Jassem Al Bahar said yesterday that investment expenditure for the current 89/90 fiscal year, is over KD1 billion. Bahar, who is also the secretary-general of the Higher Committee for the country's Master Plan and major construction projects, said that the allocation for construction projects of ministries and departments is KD560 million, in addition to KD184.1 million for construction projects of some independent establishments. KD200 million have also been allocated for public expenditures. The current fiscal year's allocations have mainly concentrated on on-going projects. These projects have accounted for KD431.7 million, or 77 per cent of the total allocated to ministries projects.

In an exclusive interview with Arab Times/Al Seyassah, Bahar said that projects executed by the Ministry of Electricity and Water topped the list of allocations with KD 264.4 million or 47.2 per cent of all allocations for construction projects. He added that KD203.7 million have also been allocated to projects undertaken by the Ministry of Public Works. Both ministries accounted for 83.6 per cent of the total ministries construction projects allocations.

The Ministry of Communication follows in third place with KD19.7 million. KD2 million were also allocated for projects to the General Directorate of Civil Aviation.

Maintenance
The financial allocations for projects of the Information Ministry, are KD14.6 million, Ministry of Planning KD4.8 million, Ministry of Foreign Affairs KD900,000. Bahar added that the allocations in the new budget for small construction projects and for the maintenance of installations and ministries utilities amount to KD17.6 million. He added that KD3.5 million were also allocated for the Interior

Ministry projects. Bahar said that KD24.2 million have been allocated as supplementary deposit to any deficit in the allocations of the previous projects.

Total allocations for new projects in the new budget, are KD43.3 million. Allocations for projects already under construction, are KD431.7 million. Total value of allocations for small projects and the maintenance of utilities in all ministries and government departments and installations, are KD60.8 million, representing 10.9 per cent of the total allocations. Bahar said.

Concerning allocations for attached and independent government bodies, KD184.1 million has been approved. Of this amount, National Housing Authority gets the maximum of KD129.8 million, Public Authority for Agricultural Affairs and Fish Resources, KD22.9 million, Kuwait University, KD19 million, Kuwait Municipality KD6.6 million, Fire Department KD1.9 million, Public Authority for Applied Education and Training, KD3.5 million in addition to KD400,000 for the Public Authority for Civil Information and only KD40,000 for the Public Authority for Minors Affairs.

Situation

Bahar said that allocations for construction projects in the current fiscal year, were mainly prepared on the basis of the present economic and social situation and the country's actual needs for those projects. He added that the Ministry of Planning while working out these allocations, concentrated first on the completion of projects under construction, then those whose contracts have already been signed, followed by projects to be tendered and finally other projects.

He said that new vital projects, like the Subiya city and the Subiya causeway, have also been included for study, necessary allocations to complete the main

public services in residential areas, were also made.

Priority is given to vital projects in electricity, water, communication, roads and telecommunication projects. Financial allocations for various projects, reflects government concern in housing, afforestation and improvement of environment. The current budget also pays attention to the development of the current buildings of Kuwait University and a study to establish a new university. Headed that KD32 million were allocated to the Subiya power station which is to be constructed soon. The total estimated costs of the project is KD470.

KD8.5 million were allocated to the roads projects in Kuwait City, the total cost of which is KD115 million. The final and fifth phase of the development of the telephone network will be completed during the current fiscal year, and KD 3 million has been allocated for the purpose.

Subiya
Concerning the construction of the Subiya city, Bahar said that a ministerial committee headed by the Planning Minister, Dr Abdul Rahman Al Awadi, was formed to study the priorities of the city. He said that a technical sub-committee was formed later comprising of representatives from the Ministries of Public Works, Finance and Kuwait Municipality. This sub-committee will submit its reports to the ministerial committee and the reports will be discussed by the Master Plan Higher Committee. The main concentration now is on building the economic infrastructure of the city and a number of goals have been worked out for the next 10 years.

These goals include the construction of the causeway to link Subiya with Kuwait City, construction of the tourist projects in Subiya, construction of Army camps, construction of residential compounds for employees and the establishment of handicrafts and service areas in the city.

NEWS IN BRIEF

Amiri cable

KUWAIT, July 4, (KUNA): HH the Amir today sent a cable of congratulations to the US President George Bush on the occasion of his country's independence day.

Nouri returns

KUWAIT, July 4, (KUNA): Minister of Education Anwar Al Nouri returned here yesterday from Washington after having participated in the meeting of the Palestinian Studies Institution. Nouri is a member of the institution whose members met in Kuwait last month.

Shamlan tour

KUWAIT, July 4, (KUNA): Minister of Higher Education Dr Ali Abdullah Al Shamlan yesterday made an inspection tour of the new premises of the ministry. The minister was briefed on different department's activities. Shamlan was accompanied, during the tour, by the ministry's undersecretary Dr Msa'ad Al Haroon and Assistant Undersecretary Anbar Malallah.

Relief work

KUWAIT, July 4, (KUNA): Director of External Relations and representative of the Joint Kuwaiti Relief Committee of the revival of Islamic Heritage Society Jassem Al Oun yesterday said his recent visit to Bangladesh was aimed at inspecting the society's projects and to follow relief works there.

He said the Islamic Revival Committee had dug more than 1000 wells and built a number of mosques, schools and health centres.

He added that the relief committee had built more than 200 houses for the poor, provided 200 water pumps and constructed 80 mosques in different areas in Bangladesh.

Oun, during his visit to Dhaka, had conferred with Kuwaiti Charge d'Affaires there Hassan Aqqab, and reviewed with him means of expanding the society's relief work to other affected areas in Bangladesh.

Kuwait week

KUWAIT, July 4, (KUNA): Kuwait International Exhibition is currently preparing for Kuwait Trade Week in Baghdad between October 3-9.

The week-long display is aimed at acquainting the Iraqi public and private sectors with Kuwaiti commercial and industrial installations and their products in addition to boosting trade and co-operation ties between Kuwait and Iraq.

Displayed material includes, among other things, construction, air-conditioning equipment, foodstuff industry, electrical and electronic products and several other materials.



Amiri awards to handicapped

A FUNCTION was held yesterday to distribute Amiri awards to outstanding members of the Kuwait Club for the Handicapped.

Ministry of Social Affairs and Labour Assistant Undersecretary for Youths Affairs and chairman of the club, Abdul Rahman Al Mazroui gave away the prizes. Mazroui said in a speech on the occasion that HH the Amir is keen on encouraging his children in creative thinking and this has become a milestone to promote outstanding functions among the Kuwaiti youth. This, he added, made youth compete and exert every effort in the service of the country.

He added that the great attention paid by HH the Amir and HH the Crown Prince and Prime Minister, to the members of the Kuwait Club for the Handicapped encouraged them to achieve many vic-

tories in the international sports arena.

Mazroui added that the success of the rehabilitation programmes for the disabled in Kuwait, is mainly aimed at achieving the social integration and utilisation of all available human resources. He said that government policy in supporting the disabled rehabilitation programmes, basically emanates from the teachings of Islam. He stressed that the welfare programmes for the handicapped must uplift their standards and contribution in the scientific, cultural, professional and social fields. He said that work opportunities must be provided to the handicapped in order to improve their abilities. He described Kuwait's experiment in the rehabilitation of the disabled as "a pioneering" experiment.

Picture shows Mazroui giving an Amiri award to a member.

Police beat

Arrested for fraud

A MAN claiming to be a member of the ruling family and carrying a forged driving licence in the name of one of the members of the ruling family has been arrested by airport security personnel, according to a local daily.

The arrest under the supervision of Captain Nawaf Al Ahmad Al Sabah (Head of Kuwait's Airport Criminal Investigation Department) said that the accused has been identified as Ahmad K. He was employed as a lance corporal at the Ministry of the Interior but his services were terminated due to misconduct.

The accused was trading in second-hand cars and used the forged licence in several transactions.

During investigations, the accused alleged that an employee at the traffic department identified as Mahdi K. provided him with the forged driving licence.

Both the accused have been referred to prosecution for investigations.

Drug peddlers jailed

JAHRA detectives arrested two men identified as Ali H, a Lebanese national and Ahmad M, a Jordanian for trading in narcotics.

Detectives first arrested Ali and recovered 2,300 narcotic pills from his car. He later took detectives to another car where they found another 2,000 pills.

He claimed that the car belonged to the second accused and his role was that of a distributor.

Investigations are in progress and the accused remanded in police custody.

Crowds at Salmi border post

Overland travel still popular

THE need to travel is a common denominator with all individuals — only the mode of travel varies.

Most travellers prefer air travel to overland transport, because the former is quicker and is less demanding physically. However, modes of travel have become highly diversified over the ages and today we witness travel being undertaken faster than the speed of sound.

Agreed, this specific mode of super-sonic travel is only within the reach of those in the topmost income bracket and those who are compelled to use this ultra-modern form of transport for urgent business purposes. But, it is a fact that one can leave New York after breakfast and be in time for lunch in Japan — a far cry from the days of Marco Polo.

For those who prefer to travel by land, cite several reasons: one gets to see and learn more about cities and towns, breaks can be taken at one's choice and it is far cheaper than travel by air.

Every year, during this period, the Salmi border post is usually crowded with travellers, besides hajis proceeding to perform haj rituals in Makkah.

Hamdan Al Thafreeri said that

he prefers travelling in his car because he feels more relaxed due to his being in control of setting the pace of his travel. He added that he is leaving to Cairo this year and will pass through the Jordanian Aqaba port and is planning to stay there for a month.

He added that bachelors in Kuwait do not have opportunities for recreational involvement as most recreational locations are reserved for families only. He described procedures at the Salmi post as good and said that it positively reflects a civilised picture of Kuwait.

Mohammed Sulaiman Al Hidaibi said that he is well aware that land travel quite often entails hardships, but it has several good characteristics. He added that he is travelling to Egypt and that he needs the car there to be able to visit larger number of cities. It is more comfortable than riding a taxi or a rented car. He pointed out that one of the negative features of land travel is mechanical failure. He stressed that border post centres should be fully aware of the fact that land travellers are usually a tired lot and appreciate

the speedy processing of formalities.

Um Amro, was accompanying her husband on the road and said she makes sure that her husband is completely awake while driving and advises him to stop whenever he feels sleepy.

Guests

Ali Husain Al Shahrer was travelling to Makkah for haj this year. He was going there along with a number of friends and said that travelling to haj by land has many good features, especially because of the speedy facilities provided by border posts to the guest of Allah.

Regarding passport and immigration formalities, he added that they are good and easier than he expected. The Salmi border post has a special office for hajis passports and are separated from the rest of travellers. He pointed out that this is the third time he is going to haj overland. One of the negative features of land travelling is being exposed to high temperatures and bad weather conditions sometimes. He urged land travellers to stick to speed limits and not to use high beam lights during the night.

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ARAB TIMES

Thought for today

IN peace, sons bury their fathers; in war, fathers bury their sons. — Herodotus, Greek historian (fifth century BC).

Future of Hong Kong

Anti-British sentiment

BRITISH Foreign Secretary Sir Geoffrey Howe's visit to Hong Kong may have triggered anti-British sentiment instead of boosting confidence in the future of the colony, analysts and the diplomats said on Tuesday.

Howe, ending a three-day fact-finding tour on Tuesday, slammed the door on hopes Britain would offer a haven to all Hong Kong Chinese residents scared by the bloody suppression of pro-democracy demonstrators in Beijing last month.

Local political analysts were scathing about Howe after a hastily arranged 30-minute meeting with him.

"He was here to play-act a role. He even had the arrogance to say to one Chinese delegate that he had 60 seconds to present his case. It was insulting. I wouldn't even shake hands with him," said British businessman Cliff Reese.

Reese, who heads an expatriate group pressing for full citizenship rights for 3.25 million Hong Kong British passport holders, was one of 12 activists allowed to see Howe.

Diplomats and analysts said Howe's visit had been damaging rather than positive.

"He and his advisers obviously thought it was a good idea to come and show solidarity with the people here by re-affirming Britain's commitment to Hong Kong's future. But it hasn't come out that way," an Asian diplomat said.

Analyst Bob Broadfoot of the Political and Economic Risk Consultancy agreed, adding: "Anti-British government feeling will definitely arise — you can sense it. But I don't think it will be directed against British individuals."

Howe told a press conference before departing that he had considered views that any anti-British sentiment could make Hong Kong ungovernable.

"The administration here has the strength of not being a British administration," he said. "It is an administration inspired by the style and quality of British government over many years. It is an administration heavily dominated by the impact of Hong Kong people themselves."

He added: "It's understandable that in face of the shocking events of the last month, people should be looking to find someone they could blame for it. It is understandable to look outwards Britain as having a greater role than is actually possible."

"My impression, at least from this visit, is that nobody actually wants to sustain that view."

A Western diplomat commented: "I think (Howe) came with a genuine desire to see for himself the latest situation. It was never going to be an easy trip because he effectively came with empty bags."

Howe conceded his message had been unpalatable for some but added "...it would have been dishonest of me to promise what no British government could deliver, to issue insurance policies for all that we shouldn't be able to honour."

Analysts said one effect of recent events had been to unify Hong Kong's establishment in the desire to bring about direct elections here before 1997 and press for full passport rights.

The drive is being spearheaded by Governor Sir David Wilson, which has surprised many diplomats and observers.

Wilson, a career diplomat and noted Chinese scholar, has been prominent in demanding right of access to Britain for 3.25 million Hong Kong British passport holders as an insurance.

He has also warned to advice from his local advisers and wants to speed up the democratisation process.

Local political activists, although expressing deep disappointment over Howe's visit, said they would now switch their attention to the British public over the passport issue.

"We told Howe we will keep on fighting. We believe we should ask the British public what they think," said campaigner Lo Lung Kwok.

Quote me

"He was a good executor of a bad foreign policy that has now changed." — James Callaghan, former British Prime Minister comments on Andrei Gromyko.

"He smiled like a blue lamp in a refrigerator." — Abba Eban, former Israeli Foreign Minister, comments on Andrei Gromyko.

"This ruling will sentence thousands of teenagers each year to bear children they are not ready emotionally, physically or financially to raise." — Centre for Population Options reacting to the Supreme Court ruling on abortion.

"We see this as a remarkable victory... It's the beginning of the end of legalised killing in our nation." — Barbara Magera, spokeswoman for the anti-abortion group Operation Rescue.

The US Supreme Court decision on abortion is bound to worsen the plight of the millions of women around the world who annually die or are permanently impaired from unwanted pregnancies, or from illegal abortions, because when America sneezes, the rest of the world catches pneumonia. — Dr Halftan Mahler, secretary-general of the International Planned Parenthood Federation.

"A leopard doesn't change his spots." — John Fitzgerald, who was angered by John McEnroe's delaying tactics and other on-court antics. McEnroe won the match.

"Yeah, I'm pretty happy that I don't have to take my pants off." — John McEnroe on his vow to drop his trousers on court if Michael Chang made the Wimbledon final. Chang lost on Monday.

"I am a soldier ready to serve the country even as a guard." — Jafar Nimeiri, former Sudanese leader commenting on the latest coup in his country.

"Tomorrow what has been secret could become less and less hidden." — Stanislaw Jaskolski when putting his name to the archives record.

"Now we shall be making political choices between greater and lesser evils. This is very different and a very responsible job." — Jacek Onyszkiewicz, a Solidarity Sejm Deputy said on Poland's state television.

TODAY IN HISTORY

1556 — France's King Henry II renews war against Hapsburgs in Italy.

1596 — Expedition under Lord Howard of Effingham and Earl of Essex sacks Cadiz and ravages Spanish coast.

1796 — British force captures island of Elba.

1811 — Venezuela becomes first South American country to declare its independence from Spain.

1812 — Britain makes peace with Russia and Sweden.

1830 — French launch invasion of Algeria and take Algiers.

1940 — Vichy government in France breaks off relations with Britain in World War II.

1942 — German offensive on Soviet front begins with Battle of Kursk in World War II.

1959 — President Sukarno dissolves Indonesia's constituent assembly.

1960 — Congolese National Army mutinies.

1969 — Tom Mboya, Kenya's economic planning commissioner and likely successor to President Jomo Kenyatta, is assassinated in Nairobi.

1973 — Government of central African nation of Rwanda is overthrown in military coup.

1975 — Cape Verde Islands become independent after 500 years of Portuguese rule.

1977 — Pakistan Army seizes power in bloodless coup that ousts elected Prime Minister Zulfikar Ali Bhutto.

1988 — Iran's President says the Islamic Republic has the "right to avenge" the airliner shot down by US warship.

ARAB TIMES
Review
What are friends for?

Freighted with emotion and bitterness

By Stephen Green

THE arrest and conviction of Jonathan Pollard for "conspiracy to commit espionage" for Israel against the United States was an event freighted with emotion and bitterness in both countries. Nor did the hard feelings cease when, in March of 1987, Pollard was sentenced to life imprisonment. He has been out of sight since then, but the issues surrounding the case continue to fester.

Many Israelis resent their government's co-operation in providing US investigators with some of the evidence that persuaded Pollard to plead guilty. At the same time, many American Jews have felt betrayed by the Israeli government as, in the months after Pollard's arrest, one Israeli official was formally indicted in connection with the case, four others were named as unindicted co-conspirators, and reports surfaced linking the operation to the office of the Israeli prime minister.

The US intelligence and military communities were initially puzzled by the arrest, but have since become increasingly angry and mistrustful of the Israelis as their own internal investigations revealed the size of the operation, the enormous damage to US national security, and belatedly, similar past instances of Israeli espionage.

In sum, the Pollard case has had and continues to have a strong negative effect on the working relations between these two close security allies.

It is therefore not surprising that a substantial effort is under way to "re-examine" the case and to engender sympathy and support for Pollard and his wife, who pleaded guilty to the lesser charge of "conspiracy to receive embezzled government property" and is also serving a prison term.

A Justice for the Pollards movement in New York and a mirror Citizens for Pollard group in Israel work to vindicate the couple and to raise funds to defray their legal expenses. Jonathan's father, Dr Morris Pollard, along with Alan Dereshowitz, the Pollards' well-known attorney, have been pleading the cause on television.

Bernard Henderson, Mrs Pollard's father, has written a book entitled "A Spy's Story," which understandably minimises the crimes committed and makes a passionate case for the couple's early release on humanitarian grounds.

Hardly less subjective is the recently published book "Territory of Lies," written by the Washington correspondent of the Jerusalem Post, Wolf Blitzer. A candid subtitle informs the reader that the author was given "exclusive" access to the Pollards. The methodology here is to allow Jonathan Pollard to pick apart selected portions of the US government's case while ignoring or misrepresenting other portions.

Theme

A central theme in these revisionist efforts is that the classified documents stolen by Pollard and sold to a special intelligence unit of the Israeli Defence Ministry were essential to Israel's survival. Blitzer, quoting Pollard's attorneys, indicates that the stolen material includes documents on weapons systems, intelligence structures and capabilities of Arab countries, analysis of Arab leaders' political intentions, and details of Soviet weapons about to be delivered to Israel's enemies.

On a recent "ABC Nightline" show, Dr Pollard said he could understand his son's feelings when he learned the US was not sharing with Israel the intelligence information it had on "gas plants in Syria (and) impending PLO attacks from Lebanon."

The image here is of a bright young American Jew deeply torn between his concern about the survival of Israel and his duty as a US intelligence official to protect his own country's security secrets. There's a certain logic to this image, and even some elements of truth. But this is not why Jonathan Pollard is serving a life sentence. There is more to the story.

Soon after Pollard's arrest in November 1985, his Defence Investigative Service and FBI interrogators became convinced that much if not most of the "take" in fact had nothing to do with Israel's essential national security interests. This worried the US government even more than the incredible amount of documents involved — approximately 850,000 pages — or even the classification level: well over half of it was TOP SECRET or higher.

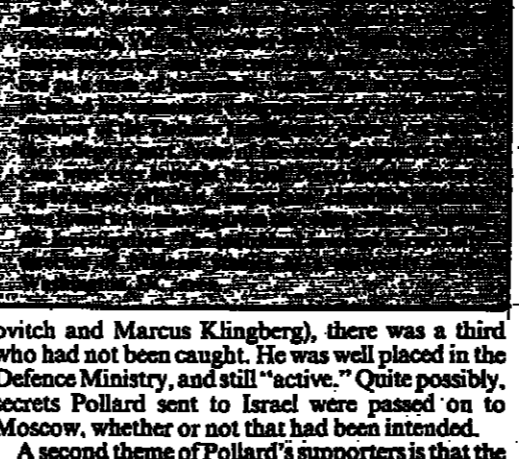
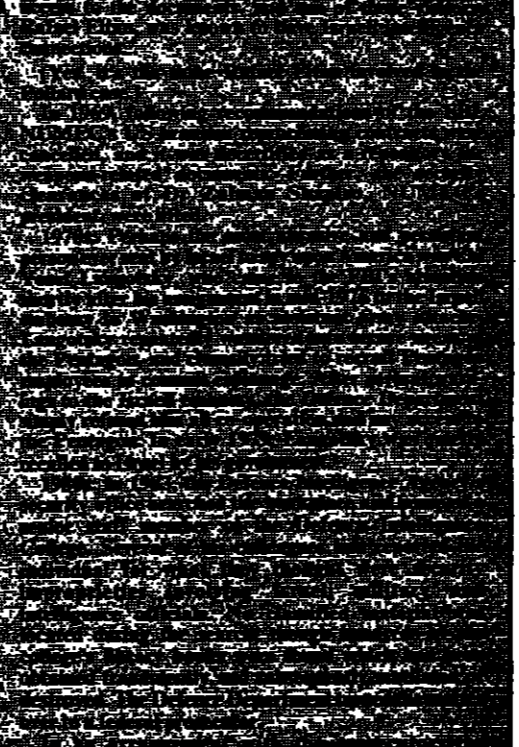
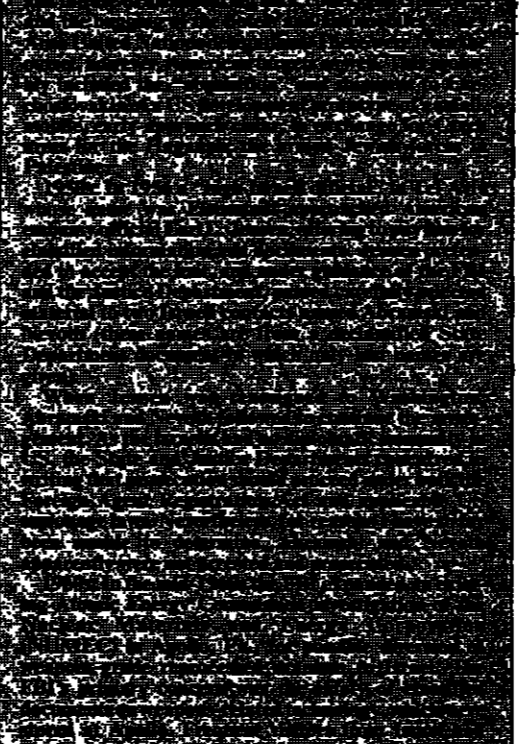
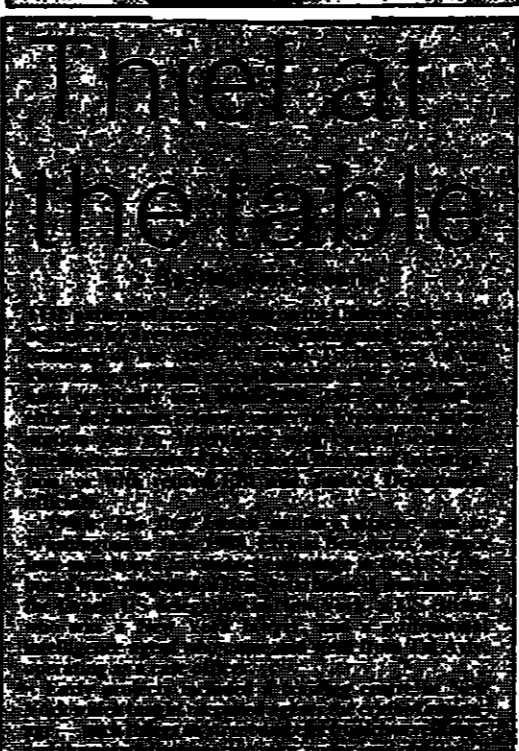
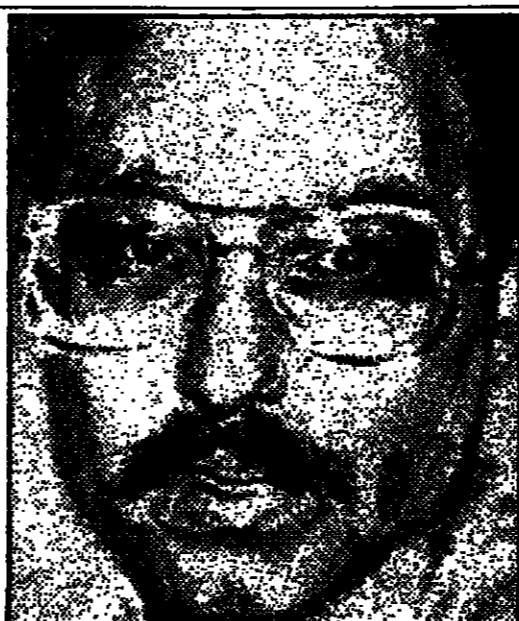
The problem was essentially this: the Defence Investigative Service and the FBI knew from lists hidden in Pollard's desk that he had been very specifically tasked. That is, his Israeli handlers had developed intelligence requirements for particular documents, by name and number. Initially, this indicated the possibility of another agent — the infamous "Mr X" — who was pointing the operation toward the documents Pollard was to steal. In a polygraphed interrogation, however, Pollard confirmed what US defence officials already suspected: one of the first documents he'd been asked to take was a huge compendium of current classified military documents which is updated every three months. This lists and describes tens of thousands of documents — a virtual road map for Pollard's handlers. No need for Mr X.

So what Pollard took was exactly what the Israelis wanted. But what did they want? The initial shock came when the FBI analysed the 25 documents found in the suitcase Anne Pollard had removed from their apartment on her husband's instructions, after he was first questioned at the Pentagon. Many of them were classified TOP SECRET, and virtually all dealt with US weapons and military capabilities. The question "Is there a Mr X?" had pretty well been answered. Now there was a new question: "Why do the Israelis want this stuff?"

Senior defence officials and FBI counterespionage agents who have reviewed the Pollard debriefing transcripts confirm this is still a major focus of the investigation. The transcripts, together with computer records at the Defence Intelligence Agency (and within the agency, at the Defence Intelligence College), where Pollard gained access to many of the stolen documents, have subsequently revealed that much of the operation's take had nothing to do with the Middle East at all — it contained details of US and Soviet intelligence, communications and military capabilities. This included, according to the government's Memorandum in Aid of Sentencing, "details about US ship positions, aircraft stations, tactics, and training operations." Much of this material could have been of interest to only one country — the Soviet Union.

Concern

This concern was heightened when during the Pollard investigation, a Soviet defector in US hands revealed that in addition to the two Soviet spies serving prison terms in Israel (Shabtai Kalman-



sentence was too harsh because the compromised documents, however voluminous and important, were sent to an ally. They question whether much damage was in fact done. The issue is fairly joined here, because it was almost certainly Defence Secretary Caspar Weinberger's 46-page classified submission to the court about damage to US security which led Judge Aubrey Robinson to issue a life sentence.

In the months since Pollard went to prison, his supporters have taken Weinberger to task for his role in the sentencing process. Dereshowitz has characterised Weinberger's statements as "dirty pool." In an op-ed piece he added: "The Defence Department cannot expect the American people to accept its gross exaggerations at face value, especially when they fly in the face of common sense."

Wolf Blitzer is a bit more circumspect in his book, admitting that Pollard had indeed damaged national security. But he adds the curious caveat that "much of the damage had been contained" "because of the exposure of the operation" and because "US and Israeli intelligence officials have co-operated — albeit not completely — to repair the damage."

What all these statements share, aside from a generous amount of wishful thinking, is a fundamental misunderstanding of the imperatives of any national security apparatus. Among the things Pollard sent to the Israelis, according to government submissions, was:

● "Data about technical systems for the collection of intelligence, as well as the intelligence product collected by the systems."

● "Detailed analytical studies containing technical calculations, graphs, and satellite photographs (in which) the authors of the analyses were identified."

● "Information from human sources whose identity could be inferred by a reasonably competent intelligence analyst."

● "Three separate categories of daily message or cable traffic for approximately 17 months."

Jonathan Pollard admits he did not excise a single document he transmitted to the Israelis. None of the documents recovered in his apartment were excised. None of the (163) documents returned by the Israeli government had been excised. The compromised documents, in other words, revealed all details about the intelligence sources and methods used to collect the information. Even if Pollard had tried to excise sources and methods, he did not have the competence to do so. We are speaking about hundreds of thousands of pages, thousands of documents, and hundreds of subjects.

One example: the information compromised included US military satellite photographs. If a foreign intelligence organisation simply sees the photograph in a technical journal, all it has is the subject in the photo, the fact that the National Security Agency is interested, and some indication of the power and resolution of the satellite cameras. But if foreign analysts get their hands on the original or even a good photocopy of the photo itself, they also get all the telemetry data that is printed around the edges — the location, time, distance, altitude, altitude, and degree of angle of the satellite, among other things. With this information in foreign hands, the NSA must reposition or even change the orbit of the satellite, at great expense. And the element of surprise is lost.

This is what Weinberger meant when he referred to "the loss of national assets which have taken many years, great effort, and enormous national resources to secure." Three separate Defence Department sources who took part in the Pollard operation damage exercise have been unable or unwilling to put a specific dollar figure on the loss. But all three have independently referred to "several billion of dollars" as a rough estimate, with the vast majority of that loss occurring to the technical collection resources of the NSA. And at that, we haven't counted the networks destroyed and the extreme personal risks caused for spies whose identities, locations, and activities were revealed.

It makes virtually no difference that the pages went to Israel as opposed to, say, Czechoslovakia. No modern national security apparatus would risk many lives or billions of dollars on operations whose security it no longer controlled. Once it is gone, it's gone. If Pollard had taken half the material and mailed it to KGB headquarters in Moscow, and had merely given the other half to a friend in Bethesda, Md. to store in his house, the effect would have been virtually the same for purpose of damage assessment.

Penetrated

In this case, the material went to a foreign power whose intelligence services the US had reason to believe were already penetrated by the Soviets. Former CIA director Richard Helms was recently asked, in connection with Pollard, whether the US government should distinguish between those who sell secrets to "friends," on the one hand, or "enemies" on the other. His answer was no, it shouldn't. "For the simple reason that we don't know about the security of those other governments."

Rafael Eitan, the director of LEKEM, the Defence Ministry unit that managed the Pollard operation, served as an adviser on intelligence and counter-terrorism to both Yitzhak Shamir and Shimon Peres during the time that he ran Pollard. In his book, Blitzer is very careful to point out that when Peres became prime minister in September 1984 (shortly after Pollard was recruited), Eitan was asked to give up his counter-terrorism responsibility. "What Blitzer neglects to say is that Eitan retained his intelligence role in the prime minister's office until the time Jonathan Pollard was arrested."

My source for this is Thomas Pickering, then US ambassador to Israel, who, when Eitan's name became connected to the case, was asked by the State Department about the man's ties to the prime minister. He responded as indicated above in a "secret" telegram (No. 17246 dated Nov 26, 1985) to the secretary of state. It was declassified in 1986 in response to a Freedom of Information Act request from this writer.

Perhaps the most embarrassing aspect of the Pollard matter, from Israel's standpoint, and the primary reason that those directly involved would like to see the Pollards released and the issue permanently resolved and out of the news, is the question of the policy context for the operation. Was Pollard the first person to spy for Israel against the US, or was he only the first to be caught and prosecuted?



Aquino

Human rights violations

Communist Party purge

POSSIBLE evidence of a recent violent purge in the Communist Party of the Philippines (CPP) raises doubts about some human rights violations attributed to the Aquino government.

The Philippine military claims it has uncovered the remains of more than three dozen people killed in 1988 by the outlawed CPP from among its ranks.

Three former members of the New People's Army (NPA), the Communist Party's military arm, led soldiers to two secret mass grave sites in May in the forested mountains south of Manila where purge victims were allegedly buried.

Two of the ex-NPA guerrillas say they were tortured and marked for execution by comrades. The third says he was ordered to arrest fellow comrades suspected of being government spies, or "deep penetration agents" (DPAs).

The uncovered remains, which show signs of torture, gunshots, and stabbing, have not been identified. The military, which is conducting forensic tests, expects to find that identities will match those of several dozen leftist activists who disappeared since 1987.

Such disappearances have often been blamed on the military by left-leaning or international human rights activists.

Since coming to power in 1986, President Corason Aquino has been criticized, both at home and overseas, for not taking stronger action against human rights violations allegedly committed by the Armed Forces of the Philippines in their counter-insurgency warfare.

Military intelligence sources say those buried in what they dub as an NPA "killing field" were tortured and executed on suspicion of being DPAs.

The party's pursuit of suspected government spies began after the military captured 40 top CPP leaders over the past three years. These arrests included nine members of the CPP leaders over the past three years.

Known as "Operation Missing Link," the purge was launched in December 1987 by the Central Committee to protect internal party security, which its leaders say had been compromised by infiltration, according to alleged party documents captured by the military.

The purge included high-ranking cadres, NPA fighters, and party activists who operate in legal organizations. The number of party members is estimated to be about 33,000, for rifle-carrying guerrillas, the number is close to 8,000.

The captured documents reveal the CPP intended to mount a campaign led by human-rights groups to put the blame for the missing activists on the armed forces. They state that by the time the Central Committee ordered a stop to the purge, 70 to 200 underground and legal activists had been killed.

Severino Ranoda, a former guerrilla who fled the movement after his best friend was killed in the purge, says he first realized that something was wrong last August, when he noticed that there were fewer men in his unit. This, he says, was unusual because they had seen little military action at the time.

The next month, Ranoda was assigned to a team whose job was to detain suspected military agents.

Although the purge was supposed to be confidential, he and other comrades knew the NPA was torturing and killing people because the screams and moans of prisoners "shattered the stillness of the night" in the mountains, Ranoda has stated.

Eduardo Borromeo, another NPA director, says he was detained by his comrades in October 1988. He believes he was betrayed by his wife, another NPA fighter who was his superior, after suggesting to her that they leave the NPA.

The third defector, Apolinario Fabricio, was a peasant organizer for the CPP and collected "revolutionary taxes" from ethnic Chinese businessmen. Last October he was arrested by comrades for being "too friendly" with local soldiers.

Both Messrs. Borromeo and Fabricio say they were chained to their cots for a month in a detention centre in the mountains of Quezon Province, near an abandoned NPA camp.

They say they were beaten, starved, and threatened with execution unless they admitted the charges against them and pinpointed other alleged agents of the government.

They claim they escaped execution only after two high-ranking party leaders came to the camp in mid-November to investigate the handling of the purge.

Saturino Ocampo, a Party Politburo member, and his wife, Carolina Malay, both of whom represent the communist-led National Democratic Front, reportedly apologized to the remaining detainees and promised them their freedom. But they asked the survivors to refrain from talking about their experience in the death camp because "it would do much damage to the movement."

The two leaders explained that although an order had been made to execute suspected DPAs, the killings should have been done only after a fair trial. They also said it was not CPP policy to torture

Bashir is old wine in new bottle: future unclear

CAIRO, July 4, (AP): Sudan's new military leader speaks of a rosy future for his impoverished country: an end to a ruinous civil war, and improved living standards for some of the world's poorest people.

But the announcements by Lt. Gen. Omar Hassan Ahmed Al Bashir have been acutely short on details. Experts say it is too early to say whether Sudan will solve its most critical problems, and if the future holds another authoritarian military regime or an eventual return to democracy.

Shortly after Bashir overthrew prime minister Sadeq Al Mahdi's civilian government last Friday, the little-known paratroop brigadier imposed a national state of emergency. He disbanded the country's 36 political parties, banned independent newspapers and slammed an indefinite night-time curfew on

the capital.

A 15-member command council of the National Salvation Revolution was chaired by Bashir, who quickly skipped one rank to become a three-star general and appointed himself prime minister, defence minister and military commander-in-chief.

He then went about consolidating power. He retired 28 of his military superiors and promised speedy trials for politicians and officials who he said stole public funds and helped destroy the economy. Soldiers arrested 20 or so senior politicians, but Mahdi himself remains at large.

Bashir's steps "could be the basis of authoritarianism," said Peter Woodward, a Sudan expert and lecturer at Reading University in Britain. "When information becomes clear on exactly how many people they have

arrested, the way they are treating them, whether they will reopen educational institutions, that will show the degree of authoritarianism," Woodward said yesterday in an interview.

There are democratic traditions in the Sudan. The last military government, which ended the 16-year presidency of pro-Western dictator Jafar Nimeiri in April 1985, said immediately on taking office that it would surrender power to civilians in one year.

It did that, organising elections in April 1986 in which Mahdi's Umma Party won a parliamentary majority.

The next three years brought Sudan near-total democracy, including a free press and open parliamentary debate. The free discussion accomplished little toward solving the country's problems, however. By the time

Nimeiri supports Sudanese junta

KUWAIT, July 4, (Agencies): Former Sudanese president Jafar Nimeiri has described the officers who seized power in a coup in Sudan last week as "sincere patriots," but cautioned them in an interview published today against conspiracies by communists.

He told a Kuwaiti daily that he had not left his exile home in Egypt in the days before the coup on Friday and that he has abandoned plans to return to power because the new coup "fulfilled what I had in mind."

of Bashir's coup, there were common comments in the street that, compared to the inaction of Mahdi's democracy, military rule might not be so bad after all. Bashir's so-called "June revolution" is the fourth military

Press reports had said Nimeiri left Cairo two days before the coup by Lt. Gen. Omar Hassan Ahmed Al Bashir who toppled Sadeq Al Mahdi. Nimeiri was reported to have left for an African country to work on his own return to power in Sudan.

"I did not leave Egypt. But I was about to leave to lead a war against the regime overthrown by the Bashir's salvation movement. What the heroes of salvation did fulfilled what I had in mind. Therefore I have now given up the idea," he said.

coup in Sudan's 33 years of independence from Britain.

"It looks like this leader has all the characteristics of the military regimes in the 50s and 60s," said Tim Niblock, director of Middle Eastern politics at Britain's

Bashir, in an interview published in the Saudi Arabian newspaper Okaz yesterday, was quoted as saying it was "premature" to say whether Nimeiri would be allowed to return home. He has been living in exile since his overthrow in an April 1985 coup.

Affirming his faith in the new leadership, Nimeiri said: "As former commander-in-chief of the Sudanese forces, I knew them as sincere patriots who have no partisan inclinations."

policy-making powers, which would remain in hands of the junta. Mahdi, under heavy military and labour union pressure, started a series of moves aimed at ending the guerrilla civil war.

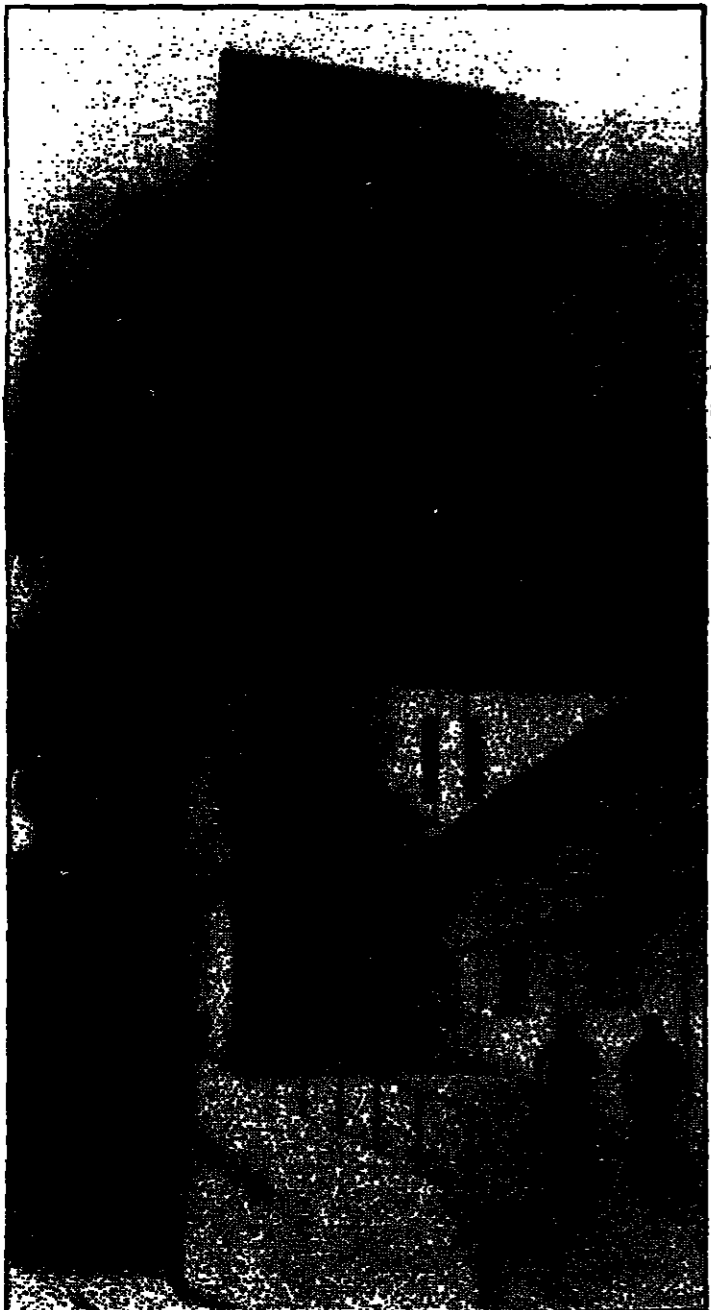
200 detained in W. Bank sweep

Shamir lashes out at US-PLO talks

OCCUPIED JERUSALEM, July 4, (Agencies): Israeli troops rounded up 200 Palestinians in a major sweep on the eve of a showdown in the right-wing Likud Party over Prime Minister Yitzhak Shamir's peace proposals, security sources said today.

The arrests overnight, one of the largest such operations of the 18-month-old anti-Israeli uprising in the occupied West Bank and Gaza Strip, appeared aimed at showing Shamir's determination to stamp out Palestinian unrest and disarming hardline critics.

"Shamir is trying to show that he is doing his best to put down the intifada (uprising) ... and that he is tough," said Jack Khammo, editor of the Palestinian political weekly Al Bayader Assiyasi.



The 73-year-old prime minister met his chief rival, Industry and Trade Minister Ariel Sharon, in a last-ditch effort to avert a brushing fight at Wednesday's meeting of the 2,600-member Likud central committee in Tel Aviv.

They failed to reach agreement and Sharon said he would press for a vote making Shamir's plan conditional on an end to Palestinian violence and the exclusion of annexed East Jerusalem from negotiations and elections.

The plan, already approved by Israel's coalition cabinet and parliament, calls for Palestinians to elect representatives to negotiate limited self-rule and later take part in talks on a final settlement of their status.

Palestinians said most of those arrested were middle-ranking nationalist activists in the Ramallah and Bethlehem areas around Jerusalem.

An Army statement said: "A widespread operation was carried out in Judea and Samaria last night during which people suspected of membership in the popular committees and shock committees were detained."

Thousands of Gaza Strip workers observed a general strike today and did not go to their jobs in Israel to protest the distribution of new identity cards allowing them to enter Israel.

In another move to strengthen his hardline credentials, Shamir again lashed out at US contacts with the PLO over the elections proposal.

Shamir told visiting Republican Senator Orrin Hatch that Israel was extremely dissatisfied with the encouragement given to the PLO by high-level talks, which damaged the Israeli peace initiative.

Washington yesterday obtained postponement of a UN Security Council debate on Israel's deportation of Palestinian activists until after the Likud meeting in an apparent effort to spare Shamir further embarrassment.

● Israeli Arabs are planning goodwill visits to Palestinians in the occupied West Bank to counter hitherto by militant Jewish settlers last week.

Iraq got help in making toxins

GENEVA, July 4, (Reuters): Iran today accused foreign companies of helping Iraq develop a chemical weapons arsenal, and warned that partial measures were not enough to curb use of such arms.

Iranian Foreign Minister Ali Akbar Velayati told the 40-nation Geneva disarmament conference Iraq had acquired sophisticated technology and weapons for chemical warfare during the eight-year conflict between the Gulf neighbours.

Velayati did not name any companies or countries.

Velayati said the Geneva forum had failed to achieve even minor improvements in current talks on a treaty to outlaw chemical arms, although a 149-nation conference in Paris last January had called for redoubled efforts.

The issue has been on the agenda of the Geneva conference for 20 years. A major problem is how far civilian chemical plants should be open to inspection to ensure that states which adhere to a ban are not cheating.

Changes ■ Iran is set for significant foreign policy and economic changes, if forecasts of a new government line-up after this month's presidential elections prove correct.

Western political analysts and Iranian sources close to the emerging new leadership envisage some basic changes under Hojatoleslam Ali Akbar Hashemi Rafsanjani.

Since the death of supreme leader Ayatollah Khomeini, the other two men at the top of the power pyramid in Iran appear to have agreed to back Rafsanjani as president with enhanced executive powers after the July 28 polls.

President Ali Khamenei is already installed as Khomeini's successor as supreme leader while Sunday's decision by Khomeini's son Ahmad not to stand for the presidency removed the only serious alternative candidates.

Ahmad is expected to succeed Rafsanjani as speaker of parliament.

While the new leadership will not want to dismantle Khomeini's legacy of Islamic revolution, which is after all the basis of their own rule, they look set to address urgent external and internal secular problems, the analysts said.

■ Iran has clarified a report that its reconstruction agreement with the Soviet Union would cost \$15 billion.

The Iranian news agency IRNA reported today that in an interview with the Tehran Times, Finance Minister Mohammad Javad Irvani said he told the Washington Post the deal would cost Iran \$7 to 8 billion.

The Washington Post correspondent either misunderstood me or wrongly presented my version," he told the Tehran Times. "What I meant was that there are certain projects which will cost \$7 to 8 billion in hard currency and the same amount is required in rials for the materials, to be used through domestic sources," IRNA, monitored in Nicosia, quoted him as saying.

The attack was to take place during Shamir's visit to a southern Israeli bedouin village just before the November general election, held as a Palestinian uprising raged in the occupied territories.

"The (Al Khours) heard from Ahmed Abu Mudeyeh that he planned an attack against the life of the prime minister when he was to be at the mukhtar's (village leader) house in Rahat."



Afghan soldiers, like those seen here at a military check point north of Kabul, have fared better than predicted by Western nations in their fight against Mujahedeen rebels. (Reuters wirephoto)

Afghan rebels incapable Weakness highlighted

KABUL, July 4, (Reuters): The Soviet military withdrawal from Afghanistan last February has highlighted the weakness of the once seemingly invincible mujahedeen rebels.

The rebels, euphoric at having chased superpower forces from their soil, have shown themselves so far incapable of fighting the kind of conventional battle necessary for a victory against Afghanistan government soldiers.

"Now the Soviets have left, it's a different ball game," said a foreign military expert in Kabul. He said attempts in the last four-and-a-half months by mujahedeen "holy warrior" to launch conventional military assaults on the eastern city of Jalalabad have failed miserably.

The rebels, armed by the United States and Pakistan, had wanted to take Jalalabad, the country's third largest city, the eastern garrison town of Khost, or Kandahar in the south, as a base to set up an alternative government.

Afghan military air power, coupled with the mujahedeen's poor battlefield co-ordination, has left the Soviet-backed government claiming a key initial victory.

The mujahedeen continue to fire rockets at cities but have gained no important town.

"War is a simple scenario," the military expert said. "First you fire rockets and artillery, but when you have to walk in and capture the ground. To retain it, you need a lot of guts, a lot of suffering."

He said the mujahedeen had not yet shown they

were willing or able to commit the numbers and accept the high casualties needed to take and hold a bit city.

They were once able to shoot down Soviet planes with hand-held Stinger missiles. The Afghan Air Force says it has learned to avoid these by flying above range, swooping in low over their targets and firing flares to divert the heat-seeking missiles.

"The rebels are not able to beat the (Afghan) Army in a conventional situation," Soviet Ambassador Yuri Vorontsov said in a recent interview.

"The rebels are lost in a big formation. The Army knows what to do when it sees a big formation. It moves in with an air strike."

The foreign military expert said the fighting ability of the Afghan soldier was never fully tested while Soviet forces were in the country.

"They were never given a task as such. Now they have a clear objective: to defend the sovereignty of their homeland ... and they have done well," he said.

He said the mujahedeen were also at a disadvantage because seven rebel groups based in Pakistan and involved in most of the fighting remained divided.

"In any war, you have to fight under one banner, one grand vision," he said. "But the seven groups are fighting under seven banners."

Vorontsov said many mujahedeen field commanders were resentful because they felt Washington and Islamabad had pushed them into the conventional assault on Jalalabad.

AWACS tested Iraqi achievement

NICOSIA, July 4, (AP): Iraq claimed yesterday it had successfully test-flown its first domestically built early warning radar aircraft and hailed it as "a great military achievement," the official Iraqi News Agency reported.

The agency, monitored in Nicosia, quoted Hussein Kamel Hassan, minister for industry and military industrialisation, as saying the test flight early yesterday was "a complete success."

INA said President Saddam Hussein named the new aircraft Adnan-I after defence minister Adnan Khairallah, who was reported killed in a helicopter crash last month. The agency said Hassan told Saddam in a telegram announcing the test flight. "This project provides defence capabilities to ... track enemy warplanes from a distance of hundreds of kilometres (miles) and at various heights, even very low ones."

The agency did not give any details of the aircraft. But Iraq displayed a Soviet-built Ilyushin IL-76 jet transport, NATO codename Candid, modified into an airborne early warning-type aircraft at a defence exhibition in Baghdad last April.

Military analysts who saw the four-engined aircraft, codenamed Baghdad-I, said Iraqi Air Force officers claimed it carried Iraqi-built equipment.

They said the radar, believed to be French-built Thomson-CSF Tiger units, could track and identify targets as far away as 220 miles (350 kilometres).

But they noted that the system does not provide 360-degree coverage like units used aboard US early warning radar aircraft or the Soviet Air Force's own version of the Candid, the Mainstay.

The analysts said the Iraqis claimed the radar system had been used operationally in the final stage of the eight-year Gulf war with Iran.

Gunmen kill rebel leader

ISLAMABAD, July 4, (Reuters): Gunmen killed an Afghan rebel commander yesterday in the north-western Pakistan town of Peshawar, the official AFP news agency said.

Zahir Shah, 35, of the Islamic National Front Party, was shot by unidentified men as he entered a hotel, it said.

The agency said the attackers' motive was not immediately known.

Rivalries between Afghan rebel groups have in the past been blamed for the killing of several rebel commanders in Peshawar, capital of the North-West Frontier Province.

The front, led by Syed Ahmad Gailani, is one of seven main Pakistan-based rebel groups fighting the Soviet-backed Afghan government.

Two Afghan government helicopters landed in Pakistan yesterday and their crew sought political asylum, Defence Ministry officials said.

Few details of the defection were immediately available, but a ministry spokesman, who asked not to be identified, said the defectors included three majors and a captain.

The helicopters landed near the border city of Chaman, about 60 miles (100 kilometres) west of Quetta, in Pakistan's south-western province of Baluchistan.

Workers escape fire

Two workers escaping a factory on fire in the port city of Jounieh after it was hit by shells. Syrian gunners and their allies have been shelling Christian ports daily to stop arms and fuel from entering. (Reuters wirephoto)

PLO, Sephardic Jews begin talks in Spain

TOLEDO, Spain, July 4, (AP): Leaders of the PLO and Israel's Sephardic Jewish community have come to Toledo to initiate a dialogue aimed at recapturing the spirit of peaceful co-existence symbolised by this mediaeval Spanish city.

On the second day of the three-day cultural conference today, Sephardic, Palestinian and other Arab participants presented their views on the historical ties that bind them and the myths that divide them.

Later today they were scheduled to begin a closed-door debate over ways to further the cause of peace in the Middle East. Toledo was once the centre of Judeo-Islamic scholarship in Spain.

"Toledo should encourage us to learn from our common memories," PLO executive committee member Mahmoud Abbas said in a speech that opened the meeting yesterday. "Just as in the past we were able

to find peace, today we should be able to establish a dialogue for peace."

There were no Israeli government representatives at the conference, which was sponsored by the foundation for studies on peace and international relations, a Spanish non-profit group with close links to the ruling Socialist party.

Abbas, also known as Abu Mazen, headed a 15-person PLO delegation that included a second executive committee member, Mahmoud Darwish.

The audience included some 50 Sephardic Jewish peace activists, artists and scholars, chiefly leftist critics of the government of Israeli Prime Minister Yitzhak Shamir, two dozen other Arab participants.

Sephardic Jews, whose families come from Middle Eastern and North African countries, make up more than half of Israel's Jewish population.

Plot to kill Shamir revealed

OCCUPIED JERUSALEM, July 4, (Reuters): The Israeli Army said yesterday that Palestinians plotted last year to assassinate Prime Minister Yitzhak Shamir during a general election campaign.

A spokesman said the Army had arrested Ahmed Abu Mudeyeh of the occupied Gaza Strip for masterminding the plan and a prosecutor had indicted twins Fawzi and Fazl Matawa Al Khour, 26, for concealing information about it.

The attack was to take place during Shamir's visit to a southern Israeli bedouin village just before the November general election, held as a Palestinian uprising raged in the occupied territories.

MIDEAST BRIEFS

Tactical move

AMMAN, July 4, (Reuters): The secretary-general of a new alliance between Egypt, Iraq, Jordan and North Yemen said today members would move carefully on economic integration and would not sacrifice national sovereignty.

Helmi Nammar, heading the Amman-based secretariat of the Arab Co-operation Council (ACC) said the four nations would not rush to scrap customs duties, barriers, exchange controls and trade barriers.

Baker to visit Oman

NICOSIA, July 4, (Reuters): US Secretary of State James Baker will visit Oman on Saturday on his first official visit to an Arab state, the Oman news agency said today.

The agency, received in Cyprus, said Baker would meet Fahd Bin Talimour, deputy prime minister for security and defence. It did not say if Sultan Qaboos Bin Said would receive Baker and did not specify how long the visit would last.

Ties upgraded

BAGHDAD, July 4, (AP): Iraq and South Korea are to raise their diplomatic representation to ambassadorial level, a South Korean diplomat said yesterday.

The diplomat, who did not wish to be named, said the move will be formally announced during the next week's visit to Baghdad by South Korean Foreign Minister Choi Hong-Joon.

Appeal to captors

BEIRUT, July 4, (Reuters): The brother of British hostage John McCarty appealed to his kidnappers yesterday to release him in time for a reunion with their dying mother.

"Our mother is dying in a London hospital. Bring John back to her son, she leaves this life assured of her son's safety," said a statement by Terence McCarty.

Meetings resume

TUNIS, July 4, (KUNA): The supreme Tunisian-Syrian committee for bilateral co-operation today resumed meetings with participation of high ranking delegations from both countries.

The committee had opened its meetings here yesterday under co-chairmanship of Syrian Premier Mahmoud Al Zoubi and Tunisian Premier Al Hedi Baccouche.

Tehran metro

NICOSIA, July 4, (Reuters): The first stretch of Tehran's long-delayed metro will open by November, the Iranian news agency IRNA said yesterday.

Work on the metro project, designed by French contractors, began in the 1970s but was disrupted by the 1979 Islamic revolution and did not resume until three years ago.

First haj mishap

RIYADH, Saudi Arabia, July 4, (AP): The first traffic accident in this year's pilgrimage season occurred on Saturday. An Iraqi national was killed and 30 others were wounded, some seriously, police sources reported today.

They said that a trailer packed with Iraqi pilgrims was en route to the Muslim holy city of Mecca, when turned over. The accident occurred on the Arrar-Sakaka road, about 1,200 kilometres (746 miles) south of the capital Riyadh.

Moroccan message

RIYADH, July 4, (KUNA): Moroccan Foreign Minister Abdulatif Al Filali today left here after participating in the two visits to Syria and Baghdad by the ministerial tripartite committee on Lebanon.

The three Arab foreign ministers delivered a message to Syrian President Hafez Al Assad and a similar one to Iraqi President Saddam Hussein from the tripartite committee leaders.

18 hanged

NICOSIA, July 4, (Reuters): Iran today hanged 18 traffickers convicted of dealing in nearly three tonnes of drugs, Tehran radio reported.

The hangings—in Arak in central Iran and Shiraz and Darab in the south—took to 696 the number of people executed in Iran on drug charges this year.

New ambassador

TOKYO, July 4, (KUNA): The Japanese Foreign Ministry announced in a statement today that Tetsuji Yoniyama was appointed as the new ambassador to the United Arab Emirates.

Yoniyama, 50, was working in the Ministry of International Trade and Industry since 1961 before joining the Foreign Ministry.

The statement also said that the new ambassador to UAE was minister plenipotentiary in the Japanese Embassy in Washington.

Mourning ceremony

NICOSIA, July 4, (Reuters): The traditional mourning ceremony marking the 40th day since the death of Iranian leader Ayatollah Khomeini will be held on July 13, Tehran Radio said today.

The ceremony will be held the day after the culmination of the Muslim haj pilgrimage to Mecca, which Iranians are boycotting for a second year because of Saudi Arabia's limits on the number of pilgrims and its ban on political demonstrations.

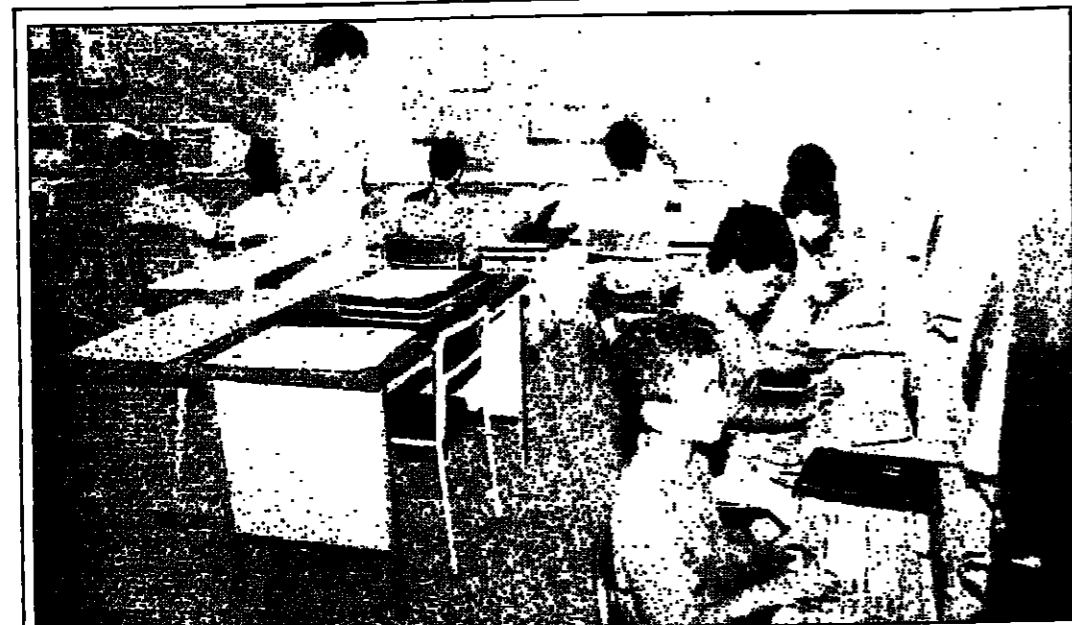
Tehran radio, monitored in Nicosia, said Muslims from both Iran and abroad were expected to take part in the ceremony at Khomeini's tomb in the southern outskirts of Tehran.

Official talks

ROME, July 4, (KUNA): GCC Assistant Secretary General for Political Affairs Saif Bin Hashel Al Maskary today resumed talks in Rome with ranking Italian Foreign Ministry officials.

Maskary told KUNA that he discussed with Foreign Minister Gino Adorni in detail means of boosting economic and political relations between GCC and European Economic Community and GCC member states and Italy.

EVENTS



Summer school activities

Attending summer school during the months of June, July and August is a very popular activity for Kuwaiti students. The largest privately operated summer school is held annually at the Gulf English School in Salwa. This year 469 Kuwaiti students aged three and a half to seventeen years, and 81 students from twelve other nations took great pleasure at the open day in showing their parents the many activities they took part in. Particularly popular subjects were computing on IBM, Apple and BBC machines; Karate; English; French; Art and Music. The Kindergarten children particularly enjoyed the varied activities each day.



VIDEO CORNER

Going back in time

By Brian Hollis

TWENTY years ago, space and time travel nearly always meant moving ahead to see what the future holds. From Jules Verne to Arthur Clarke and on to Star Wars, we were continually surrounded with new scenarios about life in the distant future or on distant planets.

The film industry recently found that money can be made without going anywhere near as far in either time or space, and the last year has seen a string of hits (and misses) about time travel of one generation or less.

Back To The Future started the trend, with the hero going back in time to make sure his mother marries his father. Then Dudley Moore swapped places with his son in Like Father Like Son, as did Jeff Goldblum in Vice Versa (black-listed). In Big Tom Hanks, suddenly aged from nine to thirty, whereas in 18 Again, an old man suddenly regains his youth. A couple who drown come back for some haunting in Bettiejeice and Shelly Long returns from the grave in Hello Again. So what next?

In Chances Are, Cybill Shepherd's beloved husband dies accidentally one year after their marriage, and returns twenty-three years later as her daughter's boyfriend. Unfortunately, somebody up there forgot to erase his memory before sending him back to earth as a new baby, so he starts to remember his previous life when invited back to his former home. Luckily his best friend (Ryan O'Neal) has not yet married his

ex-wife (after 23 years she is still faithful to his memory!), and he gradually manages to convince her that he really is her dead husband. Of course the daughter is not too happy about seeing her mother steal her boyfriend, whereas Ryan O'Neal is philosophical — if he hasn't managed in 23 years, no wonder. No prizes for guessing what happens in the end — this is your typical middle of the road family film. Good looking actors, clean fun and pleasant nonsense, a sort of white "Cosby Show".

Cry Freedom was hailed as a spectacular denunciation of apartheid, played on the wide screen with a multitude of extras and expensive sets. A World Apart on the other hand manages to make just as strong a statement with a far less epic canvas and a less lavish budget. The film is directed by Chris Menges, Oscar winning photographer of The Killing Fields. His moving story tells the story of Ruth first (here called Diana Roth), white journalist and activist, who with her husband Joe Slovo, campaigned on behalf of the banned African National Congress. In 1963 he was forced into exile while she was put under increasing pressure from the authorities. Arrested and imprisoned without trial under the newly introduced 90-day detention act, she eventually attempts suicide. Where the drama scores so strongly is that much of the action is seen through the mainly uncomprehending eyes of Molly, the eldest of the couple's three daughters. As her home life is disrupted by her

parents' clandestine activities and then by the government, the only explanations come in whispers and snatched conversations in a prison. Meanwhile, she is shunned both at school and in the street.

A fine performance by Jodhi May as Molly, and solid backup from Barbara Hershey as Diana and David Suchet as the interrogator make this film more than a simple political statement and well worth watching.

Which actress failed to win an Oscar this year, but got the best actress prize for turning up at Cannes instead? Meryl Streep of course. The film behind the nominations was A Cry In The Dark, which takes on the most controversial and impassioned case in Australia's legal history. About ten years ago, the nine-week-old daughter of Lindy and Michael Chamberlain disappeared from an Australian campground, and the parents immediately blamed dingoes, the wild dogs of Australia. But the couple's seeming lack of remorse and Lindy's impatient demeanour sparked a lack of trust in the public, and Lindy was tried and convicted of her daughter's murder without a shred of evidence. Then after three years a key piece of evidence surfaces.

One would expect the story to concentrate on Lindy Cham-



Louis Jeffries (Robert Downey Jr) is entangled in an outrageous love triangle with his widow and daughter in 'Chances Are'

berlain and the emotional havoc created by the public outcry. How was it possible for the people of Australia to condemn this woman? Perhaps, this was a case where Streep, in being as close as possible to the real character of the woman, is intentionally dull. However, if Lindy Chamberlain was condemned because she seemed to have no heart, this film can be condemned for the same reason. For those who are interested in what the real Lindy was like, there is another TV movie available on the same subject The Disappearance of Lindy Chamberlain, which is followed by an interview with the woman herself.

Everybody's All American is a dopey, soapy melodrama that traces 25 years in the lives of Gavin Gray (Dennis Quaid), a college football hero from Louisiana and his sweetheart, wife Babs (Jessica Lange). He is the dumb football player, she is the iron butterfly who signs the

contracts. We are treated to wedding scenes which could have been shot for modern brides, slow motion injuries straight from the ballgame replays, marginal infidelities in training camps and a pregnant Lange watching from the sidelines. How such highly rated actors got involved with such trite material is a mystery. Watching TV commercials has about the same emotional impact.

Nick Nolte has another manic role in action drama Farwell To The King as a World War II pilot, shot down in Borneo, who installs himself as leader of the natives and trains them to go into battle against the Japanese occupation army. However, his actions begin to threaten the very existence of the island and its people.

The above films are by courtesy of VFI Films/Farwanji; Video Nafi, Saliya, Tel: 2432809; and Video Club, Saliya, Tel: 5724372.

From television evangelists to the Ku Klux Klan

By Gail Seery

'FLETCH Lives' is a film which seems to have everything going for it. It has the Chevy Chase, at his best, snappy dialogue, snappy music, a truly bewildering mystery to be solved by the good guys, (none of whom are wimps) and — a rare combination given the above ingredients — a good story line.

Chevy Chase has appeared in many near identical films. In Funny Farm for example, he played the journalist who moves out of town and has a series of admittedly domestic adventures before he returns. In Fletch Lives, he plays Irwin Fletcher, an investigative journalist who moves out of town, and at the end returns. Guess what, he also has adventures along the way.

But where Funny Farm fell down was in the overwhelming wishy washiness of the whole film, which left you feeling, "so what?" at the end. Fletch Lives is not the same sort of offering at all.

Fletch works hard for his newspaper, and as he would

otherwise be in danger because of the type of undercover work he specialises in, he is not only a master of disguise, but writes under the name of Jane Doe as a precaution. He is divorced, and behind with his alimony payments, and his editor tells him that he can't have a vacation until he finishes just one more story, and then another, and then another. So not surprisingly, he's getting a little fed up with his life.

Then, his aunt Belle Fletcher, who he has not seen for 16 years, dies, and leaves him an eighty acre mansion down South. "I'll tell you why you're not quitting," pleads his editor. "You have journalistic integrity, and you have a sense of loyalty, and you will never give up the quest for truth."

"That's right," quips our hero. "I do have those things. Wrap them up with rest of the trash on my desk and mail them to me."

The South isn't quite as he'd expected, and his mansion is alarmingly dilapidated — even so there is an offer for \$225,000



Chevy Chase

standing for his property, and apparently more than one organisation has a close interest in Bel Isle. His lawyer/lover gets murdered, leaving him a prime suspect — if only because he's not a

local, and he finds himself on the end of local distrust of outsiders, culminating in a visit from the Ku Klux Klan, who have problems of their own; "crops won't burn, nobody home — ain't like it used to be,"

they complain.

He finds out that his Aunt Belle had initially planned to leave her property to Jimmy Lee Farnsworth, a Bible-thumping TV preacher, who had planned to use it as an extension to his Bible Land theme amusement park. But what is that strange sludge doing on the adjoining land?

There are some excellent moments of pure comedy, like when Fletch masquerades as Billy Jean King of Bug Busters, searching for deadly, African, microscopic termites, or gets forced into pretending to be a faith healer on the Cable Television show hosted by the Reverend Jimmy Lee Farnsworth.

The whole film is nicely done, and is an effective send-up of all things southern. This is another one-man film, with Chevy Chase as the epicentre of all that goes on. Other films of this type have failed to provide a strong enough vehicle for this undeniably funny man, but Fletch Lives is entertaining and enjoyable from start to finish.

WHAT'S ON

ARTS

Kuwait Science Museum
OPEN Saturday to Wednesday, 8-9 pm only. Natural history exhibits from in and around Kuwait, including blue whale. Closed on Thursday and Friday.

Islamic Arts Museum
SAT - Thurs: 9 am to 12 noon and 4.00 to 7.00 pm. Collection includes rare Islamic artefacts, Quranic manuscripts, ceramics, carpets and marine equipment. Arabian Gulf St.

Sadu House
SAT - Thurs: 9 am to 12 noon, 4 to 7.00 pm. Exhibits include bedouin handicrafts — rugs, saddle bags, cushions and textiles. Closed on Friday.
Tareq Rajab Museum
Sat-Thurs: 9-12 noon and 4-7 pm. Also open on Fridays from 9 to 12 noon.

SOCIAL

Kapilku meeting
JULY 5: Kapilku officers will hold a meeting on Wednesday, July 5, at Far East Restaurant, at 8 pm. Topics to be discussed are: Philippine community day; Mutya ng Pilipinas Kuwait; free classes — tailoring, dress-making, computers and book-keeping/accounting; 10 most outstanding Filipino/Makabayang award 1988/89; fund-raising for the late Ms. Marylani Omran.

"Hotter Than July"
July 7 (Friday): A pop, rock, country and reggae music festival to be held at the Messilah Beach Hotel Ballroom from 7 to 10 pm. The groups to be featured are Top Ranks, Earthquake, Zambezi, Manila Boys, Louie Villedieu, Daniel Sisters and special guest appearance

by Steve Michael. Tickets priced at KD5/- are available at: Messilah Beach Hotel — Tel. 5624111 Ext. 721/729; Art Corner, Nagra: 2665068/2659820; Swan Lake Recording, Salmiya: 5721030; No. 1 Records, Sultan Center — 5719620 Ext 46.

Special offer for office and home delivery of tickets please call 2669963, 3928504 and 5639689.

Music instruments will be given as gifts on entrance tickets.

Indian Arts Circle
JULY 7 (Friday): To bid farewell to the ambassador of India a tea party is being arranged at 6.30 pm at the Indian Arts Circle, Funaitees.

Red and Black nite
JULY 11: The Weekend Club will host the Red & Black Nite at the Sheikh Ballroom of the Regency Palace with Top Ranks, Perfect Strangers and Stepping Stones in attendance. Dress is informal but red and black combinations. Highlights include selection of the Red and Black Couple, most original costume and a live contest. Gala buffet dinner is included. For reservations contact Hilary: 5741380 Julio: 5734513 and Mercedes: 4890566.

D'Assisi Social Evening
AUG 1: D'Assisi Association will hold their social evening at the Messilah Beach Hotel. The highlights of the evening will be the crowning of D'Assisi Queen. Top Ranks and Stepping Stones will provide the music. For more information contact Joe Jack Ferns on 5644178, Henry Armst, Shop No. 34, Al Kar-nak Super Market, near GPO, Kuwait.

United Goans
AUG 3: Summerbelle '89 is about to happen. United Goans Centre present "Top

Ranks and Stepping Stones" in a music saturated evening at the Tent SAS Hotel. Crowning of Summerbelle, various competitions, etc. to keep you on your toes. For details contact: Moses 2454266, Joe 5655140 Anicet 2439249 after 6 pm.

Kapilku children's contest
AUGUST 8: Kapilku association for Filipinos in Kuwait, will hold the Little Mr and Ms Philippines, Kuwait, at Kuwait Plaza Hotel at 3 pm. This coincides with Araw ng Mga Bata (Children's Day). Deadlines for submitting entries is July 28. For particulars contact Jojo Medrano, AYP, welfare and special projects; chairman, or VP Sarah Macarimbang — Tel: 4843447.

Tivim Centre
OCT. 26: Tivim Centre's Breeze 89 is going to hit the floors of Ramada Al Salam Hotel New Ballroom at a social evening organised in commemoration of village festival. Top Rank and Stepping Stones will provide scintillating music. Lot of surprises await. For further information contact the organisers.

HOTELS

At the Kuwait Plaza
Enjoy the fun; join the celebration of fun and games every Friday at Al Dallah coffee shop where you enjoy all kinds of delicious food. Continental dishes, mezzah, special sweets and Arabic ice-cream. A unique ambience with the most celebrated magician in town. A gift for every child. Fun for the whole family with Walt Disney characters. KD3,000 per child, KD4,500 per adult.

Loulwah corner: Featuring delights of Arabic ice-cream with nine different flavours specially made for the Kuwait Plaza by Syrian experts. Also

offers jumbo size of all sorts of sandwiches ranging from the famous Lebanese 'torrouj', chicken with garlic to steak sandwiches with the Plaza special touch. The famous oud player Fawzi Jamal who sings the best of the good old days songs. A special 4 course lunch for only KD2,500.

Marco Polo: Enjoy the authentic Italian atmosphere which makes you feel that you are in the heart of Rome. Taste the real Italian lasagne and spaghetti with the largest size of pizza and savour your favourite Italian dishes while you are listening to Stan and Alice, the famous duo in town.

At the SAS
WELCOME on board Al Boom. Dine on our delicious mezzah buffet followed by your favourite speciality from our wide selection of fine charcoal grills and finish off with della coffee or have a puff from the bubble bubble/pie. Dinner daily and lunch every Thursday and Friday. For reservation, call 5657000 ext 403 or 540.

At the Kuwait International GARDEN POOL: Kubli Khan Mongolian barbecue every Friday afternoon. Mix and match your lunch while it is prepared according to your palate. Ext 8006.

La Palma: Presents a culinary trip around the world featuring authentic Chinese, Indian, Mexican, African, Italian, British, German/Austrian, Turkish and Arabic dishes. Theme nights on Tuesdays and Saturdays. Ext 8166.

La Patisserie: Serves continental breakfast and afternoon tea.
At the Messilah Beach
AL MUBARAKIAH, the only 24 hour restaurant in Kuwait, offers a full spectrum of local and Continental specialties with daily buffet for breakfast, lunch and dinner plus A La Carte menu.

Al Jawahar Super Night Club, live entertainment by the resident "Rainbow" band with extensive A La Carte menu on Wednesdays and special buffet on Thursdays.

Al Bordenweh beach garden restaurant open daily Sunday to Friday offering a variety of succulent charcoal grills. Lebanese Mezza, freshly baked Markouk bread and bubble bubble.

At the Meridian
UNTIL July 31: Ice cream promotion at Al Wahs Restaurant in the Salmiya Complex.

At the Ramada Hotel
EL BENDAR coffee shop at the Ramada Hotel offers continental and Arabic buffets daily for breakfast, lunch and dinner from 6 am to 12 mid night daily, a la carte also available. A selection of home baked cakes, gateaux and tarts made to order.

Ramada Al Salam lobby lounge open 10 am to 11 pm on Sundays offering a selection of coffee, tea and juice, cakes and pastries available.

SPORTS

Windsurfing contest
JULY 14: Messilah Beach Hotel is hosting a windsurfing contest for all sailors in Kuwait. Entry forms available from the recreation office. Race entry at KD 2/- per contestant. Three classes 320, 345 and 370. For any further information contact Ken Balman on 5624111 ext. 739/751.

Keep fit
ACQUAFITNESS, judo, karate and taekwondo classes at the Kuwait International Hotel. Ladies keep fit sessions three times a week at La Palma Fitness Centre after which free use of the pool is invited. Barbecue lunch every Friday afternoon by the Garden Pool.

TELEVISION PROGRAMMES

KTV 1

- 9.00 Opening and Holy Quran
- 9.15 Sabah Al Khair: news and variety
- 9.30 Ifrah Ya Simsim: children programme
- 10.00 Magazine D'Actualite
- 10.15 Hafat Al Hawiya: daily Arabic serial (Part 14)
- 11.00 Sabah Al Khair: news and variety
- 11.15 Al Nisr Wa-Oyoon Al Madinah: Arabic serial (Part 15)
- 12.15 Sabah Al Khair: news and variety
- 12.30 Al Hesin: variety programme
- 1.00 News Summary
- 1.05 The World Today via Satellite
- 1.30 Flouma: cartoon serial
- 2.00 Variety
- 2.15 Emar'a La Taarof Al Yas: Arabic serial (Part 8)
- 3.00 Mawsoot Al Sona Al Nabawiyya: religious programme
- 3.30 Bibi Folk and Calimiro: cartoon serials

KTV 2

- 4.00 Abdul Rahman Al Ghafiqi: historical serial
- 6.00 Laila Min Alf Laila: children programme
- 6.30 Night Chemists, Airlines and Official Advertisements
- 7.00 Ma'a Al Talabe: prepared by the school activity department at the Ministry of Education
- 8.00 Lawhat Shabiya: local programme, prepared and presented by Hmood Al Baghi and Abdul Rahman Al Najar
- 8.30 Shubakar Al Telsi-yoon (Television network): variety programme, prepared and presented by Abdul Rahman Al Najar
- 9.00 News in Arabic
- 10.00 Al Yaqeen: Daily Arabic serial (Part 11)
- 10.45 Mahakem Billa Sojoon: bedouin serial (Part 5), starring Muna Wasef, Rasheed Assaf and Mohamed Al Abdi
- 12.05 News Summary

KTV 2

- 6.00 Opening and Holy Quran
- 6.10 Trollkins: cartoon series
- 6.30 Big Ice: recreation of the first trip made to the Antarctic
- 7.00 Danger Bay: Dr Grant wants to rescue a rare species of whale
- 7.30 Body Matters: a look at how to avoid tooth decay
- 8.00 News in English
- 8.30 'Hajj': a special programme on the pilgrimage
- 9.00 Simon and Simon: a wanted criminal is murdered while in custody; the Simons are hired to find the killer.
- 10.00 Learning Ropes: a son discovers that his father is a wrestler.
- 10.30 L.A. Law: return of the much-acclaimed series, set in a law firm.
- 11.30 News Summary: Magazine D'Actualite; Holy Quran; Closedown.

NIGHT CHEMIST

Kuwait
Al Sha'ab Pharmacy
Fahd Al Salem Street.
Al Ameen Pharmacy
Jaber Al Mubarak Street.
Hawalli and Nagra
Al Kamal Pharmacy
Hawalli, Tunis Street.
Salmiya and Rumailiya
Sahara Pharmacy
Salem Al Mubarak Street.
Fahadheel and Almadad
Al Fulaj Pharmacy
Fahadheel, Makkah Street.
Old Khalifa
Ghazwa Pharmacy
Al Shamli Street.
Al Jahra
Al Khaled Pharmacy
opposite Al Jahra Co-op.

Al Anshas
The Beast Master
Al Salmiya
Revenge of the Nerds II
Al Hamra
Booby Trap
Drive-In
Arabic film
Firdous
Mera Shikar. Starring Kabir Bedi, Dimple Kapadia.
Fahadheel Open Air
Taxi Chor
Al Fahadheel
Arabic film
Al Jahra
Killing Machine
Granada
Arabic film
Al Salmiya
Mutant
Al Jleeb
Lucas
Almadad Drive-In
Arabic film

PRAYERS

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Zuhr	11.52
Asr	3.26 pm
Maghreb	6.51
Isha	8.23

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BUSINESS & FINANCE

KUFPEC scores notable successes

KUWAIT, July 4. (OPECNA): The Kuwait Foreign Petroleum Exploration Company (KUFPEC) scored notable successes in countries across the world during the year ended June 30, 1988.

The annual report of the Kuwait Petroleum Corporation (KPC) for 1987-88 lists the main projects undertaken by the subsidiary in association with national and international companies in Asia, Africa and Australia. Among them:

Indonesia — Studies on the development of the "Anoa" field were continued with the eventual aim of making it productive in 1990. KUFPEC spudded its first exploratory well on Seram island in June 1988. An appraisal well at the site of a future platform in the "Camar" field was to have been spudded in late 1988. Production is expected this year.

Pakistan — KUFPEC completed the seismic survey of 1,176 km in the country's "Tajil" area. The second phase was to begin in August 1988 with the first well scheduled for drilling this year.

South Yemen — KUFPEC acquired an exploratory permit for an area stretching over 2,050 km east of "Shabwa", completing the necessary seismic work. The first drilling location will be chosen this year.

China — KUFPEC continued its negotiations with the Chinese government

following its oil discovery at "Ya Cheng 13-1".

KUFPEC is also planning new joint ventures in Syria, Vietnam and Thailand.

Australia — Although KUFPEC's three-well programme in 1987 was unsuccessful, it began and was continuing a four-well programme as the year ended. The company is also planning additional acquisitions and is confident of forming a new joint-venture group in some of the offshore areas. It is also interested in buying reserves. It has continued gas production from the "Amadeus" basin, while producing small quantities of oil from the "Eromanga" basin.

Africa (Congo) — KUFPEC tested the offshore "Yombo" oil well for production rates of up to 2,000 BPD. A five-well evaluation programme was also begun during the year and if the results are positive, the Congolese government is expected to grant an extension of three years to the company.

Egypt — KUFPEC increased its interest in the exploitation permit given to it for the "Amal" area in the Gulf of Suez. During the year, the first of the three wells planned was completed. Production was scheduled to start by the end of 1988. A new concession agreement for a block in the western desert was ready for signing as the financial year drew to a close.

Tunisia — Although KUFPEC struck the first wildcat well in a four-well exploratory programme, it was abandoned because it only showed gas. An extension permit was granted to the company and drilling has been resumed since.

Algeria — KUFPEC is planning a joint venture with OPEC member Algeria, but no details have so far emerged.

In the United States, the Kuwait-owned Santa Fe International Corporation continued its oil and gas exploration activities through its specialised operating group of companies. Some of them were:

Santa Fe Minerals — Improving oil prices gave the company a much-needed fillip, resulting in the implementation of several programmes which had to be postponed because of the weak market. This included the development of the "Miller" field in the North Sea. The company, which also carries out exploration and production of oil and gas in the USA and the UK, achieved a production rate of 31.9 million BPD of crude oil equivalent.

It continued its involvement in gas transmission and gas processing facilities in the US state of Oklahoma, besides operating an electricity generating company in North California, utilizing geothermal steam. The company concentrated during the

year on the development of gas fields discovered in the Gulf of Mexico and the United States. Production was to begin this year.

Santa Fe Drilling Company — Because of rising oil prices, the company was able to resume its activities internationally. During the year, seven drilling rigs that had been rendered non-operational due to low oil prices were returned to the company's fleet of working rigs.

It also initiated several capital-expenditure projects for improving the efficiency of its drilling rigs in Egypt, Venezuela, Nigeria and the UK. It also purchased an jack-up rig and ordered a second one, to be delivered later this year. Two new land rigs were committed for construction under a four-year contract in Oman.

Santa Fe Braun — The company, also benefiting from improved oil prices, won new engineering assignments, including a contract for expanding a crude oil pipeline from the east to the west of Saudi Arabia.

It also managed to gain two contracts for detailed engineering and procurement of two ethylene plants in Texas, each with a capacity of 680,000 tonnes per year. It was also involved in the modernisation of Kuwait's Mina Abdulla Refinery and another KPC refining facility in Europe, the Netherlands.

European rates may have to rise again

LONDON, July 4. (Reuters): Runaway investment in Western Europe could prompt monetary authorities to raise interest rates again later this year to slow economic growth and head off inflation, economists say.

They believe a decision last week by West Germany, which raised rates for the third time this year, may not be enough to dampen excess demand and, after a summer respite, the odds are seen in favour of another squeeze on credit throughout Europe.

"I think the next move in European interest rates will be higher," said Paul Chertkov, chief international economist at Dresdel Burmah Lambert Inc in London.

"Clearly West Germany intended its move to be preemptive, that was borne out by the surprise in the market," said Mark Cliffe, chief economist at Nomura Research Institute here. "But whether it is enough is still not clear and you cannot rule out another rise... another half point is possible."

The West German Bundesbank led a co-ordinated round of interest rate increases last Thursday, with only Britain and Italy among Europe's major economies not following suit.

The moves underlined the importance attached to tackling inflation as the world economy enjoys its seventh successive year of growth but also runs up against increasing capacity constraints in industry.

When demand outstrips the potential of industry to produce the goods, prices rise, and with them, inflation.

Bundesbank board member Leonhard Gleske said yesterday the rise in the Central Bank's discount and Lombard rates to five and seven per cent was to counter future inflationary pressures caused in part by high capacity use.

"We are coming up against our capacity limits," he said. The aggressiveness of the decision was underlined by the fact that the West German consumer price index for June actually fell to a provisional 2.9 per cent from 3.1 per cent in May.

But economists still expect the rate to hit 3.5 per cent by December. And as the dollar declines from 2-1/2-year highs in mid-June, worries about inflation are shifting from higher import prices to pressures building up in domestic economies.

60th flotation oversubscribed

KUWAIT, July 4. (KUNA): The Central Bank's 60th flotation of instruments of public borrowing has been oversubscribed by 237.8 per cent, according to a bank press release here today.

The bank said 41 applications were made by 9 eligible parties to the amount of KD118.5 million out of the original KD50 million offered for subscription.

Prices offered ranged between 98.131 and 97.567 per cent, or an interest rate of 7.497 and 9.759 per cent, the release pointed out.

It said as a result, the Central Bank raised the volume of issue offered for subscription to KD70.3 million and the acceptable purchase price for the bank was an average of 97.11 per cent, or an interest rate of 8.780 per cent annually.

The 60th flotation was confined to treasury bills, the Central Bank release concluded.

OPEC expects slight rise in prices

Lukman sees risk of a green upset for oil

LONDON, July 4. (Reuters): The president of OPEC said today that a growing environmentalist lobby may make nonsense of any oil price and demand forecasts for the 1990s.

Rilwanu Lukman of Nigeria said in a discussion paper that the Organisation of Petroleum Exporting Countries currently expects only a slight rise in oil prices until about 1992.

After that, he said, prices were likely to be tied much more closely to inflation.

But Lukman was far from confident with his forecast. "There are clear indications that such projections may have to be revised significantly in the light of the demands of the burgeoning environmentalist lobby," he said.

As an example he cited new US clean air proposals by President George Bush which "if implemented would make a major but as yet incalculable shift in energy demand from oil to gas by the end of the century."

"Up to the late 1980s the 'green' lobby was considered to be a rather irritating fringe group in many decision-making circles in the international energy sector," Lukman said.

But concern for the environment, including concern about the burning of fossil fuels — coal, oil and gas — had become "the emerging political issue of today."

He said OPEC sought "an attitude of co-operation among all energy producers and consumers" in a global fight for a cleaner world.

His remarks followed by 10 days a comment by John Browne, head of production and exploration with British Petroleum (BP), that pollution worries plus new concern in the West about a resurgent OPEC may combine to yield policies that cause "a shift in the fuel mix" towards natural gas.

Based on an assumption that world economic expansion will average about 2.5 per cent and that other factors remain constant, Lukman saw demand for oil rising to 24 million barrels per day in 1992.

That compares with industry estimates for just under 21 million now.

Strikes begin to hit oil output North Sea prices surge

LONDON, July 4. (Agencies): North Sea crude prices have risen around 50 cents a barrel to \$18 since the end of last week because traders are worried that strikes by oil workers will disrupt supplies.

British Petroleum Co PLC says Forties, Britain's biggest oilfield, has not been able to restart after a scheduled maintenance shutdown because of the dispute. The field normally pumps about 260,000 barrels a day and was due back on June 28.

Unions plan to stop work on Thursday to mark the first anniversary of an explosion which destroyed the Piper Alpha oil rig and killed 167 men.

The safety issue is increasingly being raised by workers' leaders who believe the government and the oil companies have not learned enough from the tragedy.

But energy analysts and oil company executives say it is still too early to tell whether the wave of North Sea labour unrest will significantly affect overall British oil production.

Oil is a key contributor to the country's trade balance as well as to government coffers. "In the context of overall UK output, they (the strikes) are not hurting at the moment but it is clear that if they continue... maintenance programmes will be delayed and output affected," said David Black of brokers Country Natwest Woodmac.

"It's getting increasingly serious," he added. Yesterday the dispute escalated when the oil industry liaison committee, an informal workers' body called an indefinite strike by all offshore contractors' workers. It said BP had imported workers from the Netherlands to break a strike on the Forties field — a charge denied by BP.

The unrest began on May 20 with a brief strike over pay and safety issues on the Forties field but quickly spread.

Over the past six weeks, more than 3,000 contractors' staff have staged lighting 24-hour strikes on more than 20 platforms and their demands have multiplied to include union recognition and better working conditions.

The strikers work for dozens of small firms who are contracted by the oil companies to carry out construction and maintenance tasks on their offshore platforms.

Oil companies say that the contractors are not responsible for production so output is not directly hit if they strike.

But as a spokesman for Shell Expro, one of the largest North Sea platform operators, put it: "Something might break down and because of the strike, it won't be repaired. That could happen today or it could happen next month."

Keith Morris, energy analyst at London brokers Kitcat and Aitken, agreed.

"You won't see fields shutting down because of the strike," he said. "But you will see fields shutting down for maintenance work and then finding themselves unable to reopen within the stipulated time."

Meanwhile, British Prime Minister Margaret Thatcher today quashed reports that the government is planning to drop nuclear power from its electricity privatisation plans.

The move followed a report in today's Independent newspaper here that the government was calling for the sale to be abandoned because of problems with decommissioning of nuclear plants which would make it unattractive to investors.

Thatcher firmly spelt out her support for the government's original intention to include nuclear power stations in the £20 billion flotation.

This came in a message to a top-level nuclear forum conference of experts in London.

The prime minister insisted in her letter "nuclear energy is one of the newest and safest ways of maintaining our economic development without increasing the levels of greenhouse gases, leading to risks of global warming which is one of the greatest challenges that mankind faces today."

Thatcher said there were powerful ecological as well as strategic arguments for nuclear power.

World output and trade likely to slow down

GENEVA, July 5. (Reuters): World output and trade are likely to slow down this year and next after growing faster than expected in 1988, United Nations economists forecast today.

Measures by industrialised countries to curb inflation and greater caution amongst investors and consumers are checking demand, the UN's 1989 world economic survey said.

Growth in the world economy is therefore expected to slacken from about 4.3 per cent in 1988 to 3.5 per cent in 1989, and to remain around that level in 1990, the survey said.

World trade increased by 8.3 per cent in 1988, faster than since the early 1970s, but was likely to slip to about six per cent in 1989, it added.

The survey, published for the summer session of the UN Economic and Social Council (ECOSOC) opening in Geneva tomorrow, attributed 1988 growth in output mainly to performances by the largest industrialised and developing countries.

"The most modest probable short-term scenario for 1989 and 1990 is one of a modest slowdown in output and a gradual deceleration of inflation in major industrial countries beginning in 1990," the survey said.

an exchange rate policy that would guarantee the competitiveness of Argentine goods in foreign markets.

Traditional Peronist policies have favoured massive state intervention in the economy, powerful union influence and protection of industry from outside competition.

The incoming administration's economic plans have been welcomed by industry and business leaders.

But senior Peronist Jose Manuel de la Sota said Menem's government was nevertheless counting on support from the trade unions and working class.

Figures due this week are expected to show a 100 per cent monthly rise in living costs in June after 78.5 per cent increase in May.

Rampant inflation, rising unemployment and falling real wages led to bloody rioting in late May in which 15 people died and hundreds were injured.

Menem has make or break chance to cure economy

BUENOS AIRES, July 4. (Reuters): President-elect Carlos Menem, who takes office on Saturday, must capitalise on his popularity by quickly implementing harsh austerity measures to put Argentina's ailing economy back on its feet.

Economists said Menem enjoys sufficient support to introduce a tough economic plan but results must be seen soon to avoid a repetition of last month's food riots.

"This is really the moment of truth," Harvard economist Jeffrey Sachs, an adviser to Menem, said in an interview published at the weekend.

"Menem is facing a tiger with a shotgun, but with only one cartridge," he said. "Menem hasn't got a double chance."

Menem's plans for the economy have surprised many in and out of his populist Peronist Party.

Turning his back on old style labour leaders and party hardliners who helped him to a

crushing victory over the governing radicals in May 14 elections, Menem has gone outside the Peronist movement to fill many key posts. But chief economist at the Latin American Institute for Economic Research, Enrique Szewach, said the appointments were consistent with Menem's stated policies.

"The government needs a task force to take it where it's going. To me it is good that everyone has the same thing in mind without stressing political (party) differences," Szewach told Reuters.

Describing the crisis as the worst in Argentina's history, Menem has promised a productive revolution based on big pay rises, export incentives and a reduction of the state role in the economy.

Future Economy Minister Miguel Roig, a non-Peronist business executive, has promised sharp tax and public utility rate hikes, severe cuts in government spending and



Boy washes his buffalo

A young Egyptian boy washes his buffalo in a canal to cool it off during a hot summer day near the oasis of Fayoum, south-west of Cairo. Buffaloes are widely used by Egyptian farmers in agriculture. (Reuters wirephoto)

Fed may ease interest rates

Dollar weakens

LONDON, July 4. (Reuters): The dollar ended weaker in Europe today after drifting aimlessly while US markets were closed for the Independence Day holiday, dealers said.

"There is not enough trade to say anything about the market mood. No-one knows where the dollar will go," said one trader in Frankfurt.

Dealers said the dollar had dropped on continuing speculation that the US central bank, the Federal Reserve, would ease interest rates this week following recent signs that the world's biggest economy was slowing down.

They said trade was likely to stay quiet until US employment figures for June were released on Friday.

The dollar closed in London at 1.9220 West German marks after ending yesterday at 1.9305 and was unchanged against the Japanese yen at 141.55.

West German shares surged to end above 1,500 on the 30-share Dax index for the first time since the index started at the beginning of 1988.

"We have always had a lull in the summer months, but this year it looks like we might see a real rally instead," one dealer in Frankfurt said.

The Dax jumped to 1,515.76 before giving way to profit-taking to close at 1,503.67, up 13.34 points.

French shares ended higher because of hopes that French companies would win Soviet business during the current visit

UK share prices higher

LONDON, July 4. (AP): Share prices on the London Stock Exchange rose in dull trading today as America's fourth of July holiday deprived the market of trading incentives.

Despite the lack of participation, equities gained some support from the pound's continued strength on foreign exchange markets. Dealers said the currency's firming trend helped ease concerns about the outlook for British interest rates.

At the close of the Financial Times-Stock Exchange 100-share index was up 8.8 points, or 0.4 per cent, at 2,174.4. The index moved in a narrow range throughout the day, showing a maximum gain of 11.2 points in early trading and a minimum gain of 6.7 points at mid-morning.

The narrower Financial Times 30-share index was up 8.7 points at 1800.3.

The 500-share index finished at 1,236.04, up 4.73.

Volume, meanwhile, sank to a meagre 373.2 million shares from yesterday's 410.8 million shares.

Dealers said they expect tomorrow also to be a day of light trading, as a strike by public transportation workers threatens to halt services on London's buses, subways and trains.

The market virtually ignored news of the largest-ever monthly fall in Britain's underlying official reserves, which indicated the Bank of England intervened heavily to defend the pound in June.

The treasury reported that underlying reserves fell by \$2.236 billion. The previous largest fall was in April 1978, when the underlying level fell \$2.115 billion.

In major corporate news, Scottish and Newcastle breweries made two acquisitions in the leisure industry. The British brewer took a 65 per cent stake in the Netherlands-based Centre Parks for £218 million and it agreed to pay £60 million for the remaining 30 per cent on Pontin's Ltd in Britain.

to Paris by Kremlin leader Mikhail Gorbachev.

Earlier in Asian trading, Tokyo shares eased in quiet trade and the Nikkei Average closed

46.04 points down at 33,190.38.

Gold ended in London at \$376.50 an ounce against \$375.25 yesterday.

Oil prices firmed around 30 cents a barrel because of fears that a wave of industrial disputes in Britain's North Sea oil fields could disrupt supplies.

North Sea Brent blend, the international marker crude, was quoted around \$18 a barrel for August loading.

Iravani clarifies cost of construction

TEHRAN, July 4. (OPECNA): The cost to Iran of the post-war reconstruction programme facilitated by a recent Moscow-Tehran accord will not be as high as \$15 billion, contrary to recent reports in a section of the US press.

However, certain projects will cost between \$7 and \$8 billion in hard currency, while a similar amount in Iranian rials will be required from domestic sources to cover the cost of manpower, materials and energy needs, according to Iran's Minister of Economic and Financial Affairs, Mohammad Javad Iravani.

The minister also denied having stated that Iran

would seek Western technology if it was superior to that offered by the Soviets. In the industrial fields of energy, dam construction and materials, the Soviet Union was one of the four leading countries, he added.

"They are better than the West and, this being so, no comparison with the West is useful," Iravani said in a denial printed in today's "Tehran Times."

Iravani had also indicated that the dollar figure represented only Iran's hard currency commitment during the life of the 15-year protocol, and was meant to cover the purchase of Soviet machinery and project-specific know-how which Iran lacked.

WORLD STOCK ROUNDUP

SYDNEY, July 4. (Reuters): The Australian share market was mixed in subdued trading ahead of the US Independence Day holiday. The All Ordinaries index closed 3.4 points higher at 1,504.5.

TOKYO — Buying ignited a few electrical shares but prices closed mixed after sluggish trade.

The Nikkei index eased 46.04 points to 33,190.38.

HONG KONG: Blue chips were sharply boosted by bargain hunters as investors became more sanguine about political news. The Hang Seng index rose 45.93 points, or 2.02 pct, to 2,316.74.

SINGAPORE: Bargain-hunt-

ing alternated with profit-taking. The Straits Times industrial index edged up 5.77 points to close at 1,303.83.

BOMBAY: Share prices finished mixed in light trading. FRANKFURT: Shares surged to a 1989 high but fell back on profit-taking. The 30-share DAX index closed up 13.34 at 1,505.67.

PARIS: Share prices showed modest gains but volume was very low.

LONDON (Alpha Stocks)	
NAME	LAST
ADT LTD	176.0
ALD LYONS	457.0
ANSTRAD	81.0
ARGVLL GP	210.0
ASDA GP	180.0
A B FOODS	360.0
BAA	346.0
BTR	397.0
BAT INDS	648.0
BARCLAYS	453.0
BASS	010.0
BEAZER	176.0
BEECHAMS	650.0
BERISFORD	156.0
BICC PLC	512.0
BLUE ARMY	96.0
BLUE CIRC	513.0
BCC GP	504.0
BOOTS CO	269.0
BPS INDS	236.0
BR COMM	168.0
BR AIRWAY	205.0
BR AEROSP	683.0
BR GAS RG	196.0
BR LAND	359.0
B.P.	300.0
BR STEEL	73.25
BR TELCOM	251.0
BUNZL	143.0
BURMAN OL	632.0
BURTON	230.0
CABLESWIR	505.0
CADBURYS	360.0
CALDER GP	390.0
CLINTON CM	810.0
CLIN CHN	800.0
COOKSONS	341.0
COURTAULD	356.5
DALGETY	366.0
DIXONS	140.0
ENG CHINA	470.0
ENTER OIL	590.0
FKI BACK	176.0
FERRANTI	90.2
FISONS	306.0
GATEWAY	237.0
GEN ACCIO	927.0
GEN ELEC	251.0
GLAND	372.0
GRANADA	181.0
GLOBE	181.0
GLYNED	295.0
GUARD RYL	208.0
GKN	394.0
GUINNESS	509.0
HMMERSON	797.0
HANSON	215.5
HARRISON C	165.0
HUKER SID	710.0
HILLSDOWN	273.0
INCISCAPE	263.0

World Indices

INDEX	LATEST	1/PREV-DAYS	2/PREV-DAYS	3/PREV-DAYS	PREV-YR
FT 300 ORD	1800.3	1791.6	1791.6	1797.9	1455.3
FT 500 SHR	1231.31	1231.31	1223.34	1182.7	1008.8
FT ALL SHR	1108.83	1108.83	1101.68	1076.15	926.59
FT GOV SEC	85.74	85.47	85.01	87.30	87.03
FT GOLD M	196.50	195.20	196.40	190.2	161.9
FT MINES F	656.80	656.80	658.47	653.25	565.31
FT OIL	0	2129.6	2098.3	1978.9	1725.4
FT WLD DLR	142.05	139.70	140.55	141.17	139.21
FT WLD STG	133.48	133.71	134.22	123.81	115.30
FT WLD LOC	135.21	134.50	135.05	129.77	123.40

London Stock Market Report

LONDON STOCKS FIRM IN QUIET LATE TRADING

LONDON, JULY 4, (REUTERS) - SHARE PRICES REMAINED FIRM IN QUIET LATE TRADING AS THE MARKET TRADED IN A NARROW RANGE IN THE ABSENCE OF ANY STIMULUS FROM WALL STREET WHICH WAS CLOSED FOR THE JULY 4 INDEPENDENCE DAY HOLIDAY.

DEALERS SAID THE MARKET WAS SHORT OF STOCK IN THIN TRADE AND PRICES WERE BEING MARKED HIGHER WITH LITTLE BUSINESS TRANSACTIONS. SCOTCH AND NEWCASTLE WAS 60 LOWER AT 331 AFTER THIS MORNING'S NEWS THE COMPANY HAD AGREED TO BUY A 65 PCT STAKE IN DUTCH FIRM CENTER PARCS.

AT 1455 GMT THE FTSE INDEX WAS 9.3 POINTS UP AT 2,174.9.

STERLING'S FIRMER TONE HELPED SUPPORT SENTIMENT HERE.

DEALERS SAID THAT AFTER SCOTCH AND NEWCASTLE'S DEAL FOR CENTER PARCS, THE MARKET REVEALED RANK ORGANISATION'S LEISURE ACTIVITIES HIGHER AND ITS SHARES ROSE 20 TO 1033.

BEECHAM GAINED 16P TO 651 AS THE INSTITUTIONS ADJUSTED THEIR WEIGHTINGS OF THE STOCK TO TAKE ACCOUNT OF THE FTSE LISTING OF NEW SMITHKLINE BEECHAM SHARES, TRADERS SAID.

COMMERCIAL UNION WAS 60 HIGHER AT 384 ON SPECULATION THAT ADELAIDE STEWART OF AUSTRALIA WILL SELL ITS 12.05 PCT STAKE TO CREDITO ITALIANO. A CREDITO SPOKESMAN LATER SAID THE BANK HAD NO PLANS TO BUY THE STAKE.

London Gold

LONDON, JULY 4, (REUTERS) - GOLD BULLION REMAINED BELOW ITS HIGHS THIS AFTERNOON, WITH A RALLY IN THE DOLLAR PROMPTING A BURST OF TWO-HOUR ACTIVITY DURING A LONG AFTERNOON FIX.

GOLD WAS EVENTUALLY FIXED AT 376.25 DLS AN OUNCE.

THE MARKET CLOSED SOON AFTER AT 376.25/376.75 DLS AN OUNCE, JUST ABOVE ITS LOWS. THIS COMPARED WITH AN OPENING 377.80/378.30 DLS AND MONDAY'S CLOSE OF 375.00/375.50 DLS.

BUSINESS WAS LARGELY ROUTINE TODAY, WITH THE CLOSURE OF THE U.S. MARKETS FOR INDEPENDENCE DAY LIMITING INTEREST.

WEAKNESS IN SILVER MEANT GOLD FAILED TO CAPITALISE ON ITS EARLY GAINS, DEALERS SAID.

London Money Market

LONDON, JULY 4, (REUTERS) - U.K. MONEY RATES MAINTAINED THE LEVELS ATTAINED AT MID-MORNING TO CLOSE AROUND 1/16 EASIER ON A SLIGHTLY FIRMER STERLING RATE AGAINST THE DOLLAR.

DEALERS SAID RATES WERE AROUND THE BOTTOM END OF THEIR NARROW TRADING RANGE CLOSE TO 14 PCT, WITH LITTLE LIKELY TO HAVE MUCH IMPACT ON THEM FOR THE REST OF THE WEEK. THEY SAID THE MARKET WAS LOOKING TO NEXT WEEK'S U.K. INFLATION DATA AS THE FIRST POTENTIAL SERIOUS THREAT TO STERLING'S CURRENT ROBUSTNESS.

THREE MONTH INTERBANK RATES CLOSED 1/16 LOWER THAN MONDAY'S CLOSE AT 14-1/16 13-1/16 PCT. THE BANK OF ENGLAND'S STERLING EXCHANGE RATE INDEX CLOSED UP 0.4 FROM YESTERDAY AT 91.2.

Foreign Exchange

DLR	STG	DMK	FFR	OPG
STG 1.5865/75	3.0465/95	10.3420/570	NOON	
DMK 1.9200/9280	3.045/059	29.385/545	FIX	
FFR 6.5265/5385	10.348/366	339.08/72	FIX	
SFR 1.6520/6530	2.6176/6208	85.84/94	25.29/32	NOON
HFL 2.1695	3.4400	112.72	33.215	FIX
ECU 1.07591	0.678167	2.07027	7.02678	CLSE
SDR 1.25374	0.799987	2.42624	8.23770	CLSE
YEN 141.40/50	224.19/50			NOON
SDR RATE	03/07/1989	OTHERS	04/07/1989	

LONDON (Beta Stocks)	
NAME	CLOSE OPEN
1ST CHARL	13/0 13/0
1ST LEISER	205/0 205/0
1ST NAT F	230/0 230/0
1ST SCOT	449/0 448/0
1ST TOK I	152/0 152/0
2ND ALLCE	937/0 939/0
600 GROUP	131/0 131/0
A. AMER TS	454/0 455/0
A.B. ELECT	373/0 375/0
A.S.W. HLD	262/0 262/0
AAB KENT	117/0 117/0
AAH HLD	408/0 409/0
AARONSON	83/0 83/0
ADDISON	42.5 42.0
ADWEST	182/0 183/0
ALEX WRKM	205/0 205/0
ALEXON	379/0 380/0
ALLO COLL	160/0 160/0
ALLO IR B	154/0 154/0
ALLO LON	142/0 141/0
ALLO PART	71/4 72/0
ALLO TEXT	380/0 380/0
ALLIANCE	062/0 064/0
AMBER DAY	64/0 64/0
ANEC	443/0 445/0
AMER TST	157/0 157/0
AMERSHAM	468/0 467/0
AMH HLTHC	379/0 381/0
ANGLIA SC	226/0 225/0
ANGLIA TV	258/0 257/0
ANGLO D'S	273/0 273/0
ANSBACHER	75/0 76/0
APLEYARD	166/0 166/0
APV PLC	144/0 144/0
AQUAS.A.	26/0 126/0
ARM ENGY	66/0 67/0
ARCHER AJ	134/0 133/0
ARLINGTON	215/0 216/0
ARMSTRONG	179/0 179/0
ASHLEY GP	77/0 77/0
ASHLEY.LA	98/0 98/0
ATTWOODS	480/0 481/0
AUST REED	398/0 400/0
AUTO SECS	302/0 303/0
AVESCO	140/0 141/0
AVIS EUR	414/0 413/0
AVON RUBB	566/0 565/0
B. WEMHILL	266/0 266/0
BAILL JAP	523/0 523/0
BAILL SHI	94/0 94/0
BAIRD (M)	236/0 236/0
BANK IRE	287/0 287/0
BANKER IT	91/4 92/0
BARDON GP	189/0 189/0
BARRT DEV	177/0 178/0
BAYNES C.	34/0 34/0
BBA GROUP	194/0 195/0
BEAR BRND	13/4 13/4
BEATTIE J	146/0 146/0
BELHAVEN	48/4 49/0
BELLWAY	230/0 230/0

BENROSE	240/0 240/0
BENLOX HD	56/0 57/0
BERKELEY	201/0 201/0
BH GROUP	133/0 133/0
BLK OF SCD	95/0 95/0
BLK LE 2	8/6 8/4
BH GROUP	478/0 478/0
BHNETT +F	86/0 86/0
BOASE MAS	362/0 363/0
BODINGTIN	170/0 171/0
BODY SHOP	720/0 720/0
BOOT KEHR	495/0 495/0
BORTHWICK	41/0 42/0
BR ARROW	110/0 111/0
BR ASSETS	77/6 78/0
BR DREGI	163/0 164/0
BR LOTA	275/0 275/0
BRENT CKE	140/0 141/0
BRENT WKR	366/0 366/0
BRIDON	209/0 209/0
BRITAIN SE	172/0 173/0
BRITANNIC	435/0 437/0
BRITON	406/0 407/0
BRN & JAC	42/4 42/0
BROWN SHI	349/0 350/0
BRYANT GP	94/0 94/0
BSS INTL	76/0 76/0
BUDGENS	119/0 118/0
BULLDOG	192/0 192/0
BULLER HP	170/0 172/0
CALDER GP	356/0 353/0
CALDOWITIA	364/0 362/0
CAMB ELEC	215/0 215/0
CAMPFORD E	300/0 300/0
CANNING W	279/0 279/0
CANNON ST	200/0 200/0
CAP. RADIO	798/0 799/0
CARDON	324/0 324/0
CARLE EN	139/0 138/0
CATLIE HD	71/0 71/0
CAULDON	13/0 13/0
CEMTL TV	777/0 780/0
CHAM PHER	214/0 213/0
CHARTERHA	216 216
CHORLINE	40/0 41/0
CHRISTIES	275/0 275/0
CI GROUP	51/0 51/0
CITYFARM	296/0 295/0
CLINT SEC	58/4 58/4
CNTRY OIL	163/0 163/0
COALITE	464/0 462/0
COATES BR	283/0 282/0
COLLOROLL	155/0 155/0
CONNELLS	205/0 205/0
COOPER F	138/0 138/0
COSTAIN	324/0 327/0
COURTS FR	194/0 196/0
COMIE (T)	137/0 137/0
CRH	190/0 190/0
CRODA INT	194/0 194/0
CRYSTALAT	119/0 118/0
CRY PROP	234/0 233/0
DARES EST	31/2 31/0
DAVIS ORD	133/0 133/0
DAVY CORP	249/0 249/0
DAMSON GP	139/0 137/0
DELTA GRP	322/0 323/0
DEVENISH	310/0 310/0
DEMISTRI	41/4 42/0
DIPLOMA	216/0 217/0
DOBSON PK	101/0 101/0
DONPAS GP	354/0 355/0
DONINGHAM	79/0 79/0
DONNY GRP	267/0 267/0
DRAYTON FE	418/0 419/0
DRAYTON C	544/0 546/0
DRG	484/0 485/0
DRUMMIST	71/0 71/0
DUNDEE LD	321/0 322/0
DUNHILL	315/0 317/0
EAGLE TST	17/4 18/0
EDMIST	193/0 193/0
EDMIST HD	61/4 61/4
ELECTRA	291/0 291/0
ELECTROCM	211/0 212/0
ENAP	232/0 236/0
ENESS	135/0 136/0
EMPIRE ST	176/0 176/0
ENG. INT. J	301/0 302/0
ETAM	192/0 192/0
EURO.HOME	174/0 173/0
EUTHERM	315/0 315/0
EUTRNL UT	100/0 100/0
EUTRNL UT	82/4 82/0
EVODE GRP	179/0 179/0
EX.CO.LOU	248/0 252/0
EXPANET	223/0 224/0
FEC ENROT	330/0 330/0
FEC EUTR	303/0 304/0
FEC PACIF	178/0 178/0
FEC SHLR	84/0 84/0
FARNELL E	188/0 188/0
FENNER H	176/0 176/0
FERGUSON	241/0 241/0
FINE ARTS	253/0 253/0
FINLAP GP	84/0 84/0
FINLAY J	107/0 107/0
FITCH LON	275/0 276/0
FLM.H. INC	110/0 110/0
FLM AMT	160/4 160/0
FLM ENR	147/0 147/0
FLM F.E	229/0 229/0
FLM JAPN	241/4 242/0
FLM OSEA	192/0 192/0
FLM TECH	192/0 193/0
FORDLY HD	286/0 288/0
FROMORE	534/0 534/0
GALLIFORD	95/0 95/0
GARDINER	59/0 59/0
GEEST	266/0 266/0
GET INTL	136/0 136/0
GERMANS	256/0 257/0
GERTHNER	292/0 292/0
GOODE DUR	134/0 134/0
GRAP	38/0 38/0
GRAPPH HD	219/0 220/0
GREEN KNG	529/0 530/0
GREEN LW	290/0 291/0
GREYCOAT	479/0 478/0
GRUP TV A	69/0 70/0
GT PRTLND	380/0 381/0
GUINNESS	146/0
GUS ORD	600/0 600/0
GVT ORIE	382/0 383/0
GVT STRA	263/0 264/0
H'IND DIS	213/0 213/0

INFORMATION PROVIDED BY REUTERS FINANCIAL SERVICES

Tourism revenue down

TUNIS, July 4, (Reuters) - Tunisia's tourism revenue fell nearly 9.5 per cent in the first five months of 1989 as visitors from Libya spent less than they did last year after the border reopened.

Tourism is Tunisia's largest single source of foreign exchange. It earned 229 million dinars (\$235 million) compared with 253 million (\$290 million) in the same period of 1988, the National Tourism Office said on Friday.

The number of Libyan visitors fell slightly to 252,000 from 265,000 last year but main reason behind the lower earnings was that the average Libyan spent 200 dinars (\$205) this year compared with 340 dinars (\$390) in 1988, it added.

Many Libyans crossed the border for short periods to buy consumer goods for resale in Libya.

Tourism office director-general Mahjoub Guerfali told a news conference that he expected the high summer season to be less profitable for Tunisia than 1988 because of this Libyan factor.

Hard currency receipts from non-Libyans would probably rise 10 to 15 per cent in 1989 compared with 1988, he added.

This would leave total tourism earnings for the year at between 930 and 970 million dinars (\$954 and \$955 million), against 1.080 billion (\$1,240 billion) in 1988.

Developed world's main concern
Inflation expected to climb

PARIS, July 4, (Reuters) - The economies of the industrialised world are in better shape than at the start of the 1980s but stronger than expected growth means inflation is now the number one concern, the OECD said on Friday.

The Organisation of Economic Co-operation and Development, in its two-yearly economic report made before Thursday's round of co-ordinated European interest rate increases, said inflation will rise in the 24-nation bloc this year and next and could undermine seven years of economic growth unless checked.

The OECD echoed concern, already voiced in the finance ministries of the developed world, that the surging dollar has gone too high and could begin to unravel a correction underway in world trade imbalances.

The Paris-based OECD, the developed world's main economic "think-tank," stuck to previous estimates that economic growth would decline from around four per cent in 1988 to 3.25 per cent this year and 2.75 per cent in 1990.

But David Henderson, OECD chief economist, told a news conference that there was a danger that the slowdown next year could be sharper than projected. He made no further estimate.

With growth buoyant and international trade booming, inflation in developed nations is expected to climb to 4.5 per cent this year and next, almost a full point up from 1988.

"The most pressing task of policy is therefore to continue to counter the revival of inflation lest it gather further momentum," the OECD said. "This task will require particular vigilance in the coming months."

Developed nations' economies, in the seventh year of an expansion, are

now in substantially better shape than they were at the start of the 1980s, the OECD said.

Investment has driven economic growth, labour productivity has improved and average unemployment has fallen to about seven per cent of the workforce — about where it was in 1981.

"OECD governments can build on these achievements... to promote sustained, job-creating growth with low inflation over the next decade," the report said.

But a number of clouds remain on the horizon.

Trade protectionism is growing, the economic health of many indebted developing countries has deteriorated, unemployment in many nations is persistent, private savings are too often used to finance government budget deficits, and many public expenditure and tax systems are in sore need of revision.

Predicting average unemployment at around 7.25 per cent this year and 7.5 per cent in 1990, the OECD said many countries still faced serious problems with high levels of long-term joblessness. This is unlikely to change much in 1989 or 1990.

The OECD said a rise in interest rates by three percentage points over the last year should be enough to brake growth and stabilise inflation. Raising rates too much too soon could be counterproductive, it said.

"Inflation could rise a little further before subsiding," it said. "Some patience may therefore be called for to avoid excessive tightening that would precipitate a downturn."

Henderson predicted however that US rates may have to tighten by around half a point before the end of the year to make doubly sure that consumer prices

remain stable.

The dollar's rise is a headache. It fuels inflation by making dollar-denominated exports dearer and swells the US trade deficit by making imports cheaper.

The main industrial states agreed in the so-called Louvre accord two years ago to co-operate to keep the dollar to acceptable limits, but the US currency has long since broken free and surged on a wave of investor demand.

"We think that at any rate further appreciation of the dollar in relation to the Deutschmark and the yen would be a concern in view of what's happening to current account imbalances," Henderson said.

He noted that the forecasts were made when the dollar in early May was trading just below 133 yen and 1.89 marks. Its rise since then has added to worries, he said.

But the report said that to restore an international competitive balance, the dollar may have to fall below a range set in the 1987 Louvre accord between the seven major nations.

"This may ultimately prove to be the case, especially if current inflation differentials persist."

Through massive dollar sales in early summer, central banks have succeeded in halting the dollar's rise above two German marks.

The agency said that cutting the US federal budget deficit with the aim of eliminating it entirely by 1993 was "a matter of urgency."

Since its December economic outlook, the OECD has sharply revised projections to show that the current account surpluses of Japan and West Germany will continue to climb rather than tail off as had been expected just six months ago.

Home computer sales

Classified ad launches \$100m business

NORTHBRIDGE, Illinois, July 4, (UPI) - When Michael Krasny was out of work five years ago, he took out a classified ad to sell his home computer.

The day the ad ran, a business was born.

Today, Computer Discount Warehouse, the suburban Chicago company Krasny started in his kitchen, is among the largest order-by-phone retail outlets in the United States. Sales this year are expected to near \$100 million.

Krasny began his business career by working at his family's auto dealership when he finished school.

"After eight or nine years working for my father I decided the automobile business was not for me," he said.

Friends knew he loved working with computers and asked if he planned to go into that field. Krasny said no. He didn't think he could turn his hobby into a vocation.

So he

International Bond Highlights

SAO PAULO: Brazil is overdue on interest payments of about 60 mln dls to the Paris Club, the Finance Ministry said. Ministry spokeswoman Rosa Daltro said, "It will be paid as soon as reserves permit."

Tokyo: Kunita Miyazaki, chairman of the Federation of Bankers Associations of Japan, was quoted by an association official as saying the possibility that Mexico's foreign creditor banks could offer it a 35 pct debt reduction cannot be ruled out.

Warsaw: The Polish government has drafted an economic programme that the International Monetary Fund is studying and wants for immediate credit to help launch it. Deputy Finance Minister Janusz Sawicki said on Tuesday.

London: Swedish Export Credit Corp is issuing a 500 mln Swedish crown Eurobond due August 8, 1994 paying 11 pct at 101 pct, lead manager Svenska International said.

London: Kanematsu-Gosho Ltd is issuing a 130 mln dlr, five year, equity warrant bond with an indicated coupon of 4.50 pct, lead manager Nomura International PLC said.

Tokyo: Kajima Corp said it will issue 15 billion yen each of eight- and 12-year convertible bonds through public placement with Daiwa Securities Co Ltd as lead manager.

London: Teas Steel Co Ltd is issuing a 100 mln dlr equity warrant bond due 1993 with an indicated coupon of 4-1/2 pct, lead manager Nomura International PLC said.

London: HMC Mortgage Notes 4 PLC is issuing a 150 mln stg mortgage-backed floating rate note due in August 2021 and priced at par. Credit Suisse First Boston Ltd said as lead manager.

BOMBAY

PR. CLOSE	OPEN	CLOSE	GLINDIA	89	89	90.25	MUK IRON	134	140	139
ACC	319	317	320	GNFC	38.50	38.25	39.25	NAT INDEX	399.71	404.81
ALUM CHEM	---	---	---	GRASIM	127	132	131	NIPPON	37.50	35
ALU NIS	---	---	---	GSFC	168.75	167.50	167.50	NOCIL	1050	1040
ARI FAB	---	---	---	GUL ALK	70	68	69.50	ORICA	19.50	19
ASHOK LEY	76	74	77	GUL HEAVY	11	10	11	OSUAL AGRO	69.50	71
ASIA PAINT	75	75.75	76.25	HERO HONDA	23	22	23	PEICO	17.50	17
ATLAS COP	203.75	38	37.50	HIND CIBA	1000	990	970	PFIZER	71	71
AUTO CORP	40	72	74	HIND COCOA	113.75	114.50	115	PONDS	188	188.75
BAJAJ AUTO	370	370	375	HIND LEVER	94.50	94	94.50	PREM AUTO	53	53.50
BAR RAYON	50	49.5	49.25	HIND MOTOR	37.75	37.75	37.50	RAHIMAT	95.75	90
BK BOND	90	88	89	HINDALCO	320	318.75	321.25	RAY MOTO	81	80
BLOW PLAST	---	---	---	HOECHST	700	700	700	RECKITT	197.50	197.50
BOM DYE	738	144	150	IND ORG	38.50	38	39	RELIANCE	131	132
BSE INDEX	778.86	792.17	792.17	IND RAYON	81.75	86	84.50	SESA GOA	42	42.50
BURR VEL	210	210	205	INDRORL	308.75	310	307.50	SHRI FIB	87.50	86
CANSHARE	185	---	---	INGERSOLL	420	425	425	SIEMENS	71	68
CEN ENKA	2800	2775	2770	ITC	122	129	128	SKF	1440	1450
CEN SPG	1990	2000	2000	KI SYN	77.50	81	82	SPIC	54	54.25
COLGATE	327.50	327.50	326.25	KIR CUMM	65	62.50	61.25	ST MILLS	360	370
CRONT GR	1325	1300	1350	KIR CUMM	65	62.50	61.25	TATA CHEM	385	123
DCM	10	10.50	10	KSB PUMPS	410	405	410	TATA OIL	125	57.50
DEEP FERT	32	31.50	32	L AND T	91.50	92	93	TATA POW	980	380
DUNLOP	85	82	84	LIPOTON	74.50	75	76	TELCO	987.50	987.5
EI HOTELS	58.25	58.25	63	NAC RUSSEL	109	112.50	112.50	THAPP AGRO	---	---
ESCORIS	70	69	69	NAD COATS	105.50	103.50	105	TISCO	1542	1542
ESKAYER	130	128.75	128.50	NAHINDRA	98.50	100	99	VAN ORG	171	173
ESSKAY SPG	23.75	23.50	23.75	MAS SHARE	19.50	19.50	19.25	VARELI	24.50	22.50
FOOD SPL	185	180	181.25	NICO PUM	690	685	680	VOLTA	840	850
FORBES	51	51	53	NILFOOD	240	212.50	217.50	WINDO	19.50	19.50
GAR POLY	69	69	68	NOFI	84	85	85	ZENITH	59	61
GE SHIPPING	42.75	42.75	42.65	NRFLTD	385	---	---	ZUARI AGRO	76.50	76

FRANKFURT

STOCK	LAST PR-CLSE
AEG	213.5
ALLIANZ VR	1948.0
BADEMERK	240.5
BASF	299.8
BAYER	299.2
BAYER HYP	422.0
BAYER VER	413.0
BBK	477.5
BHF	476.0
BHW	567.0
COMMERZB	261.0
CONTI GUM	311.5
DAIMLER BEN	704.0
DEUTSCH BAK	629.0
DIV	571.0
DRESNER B	337.0
DT BARCOCK	212.5
FZ INDEX	626.70
FELDMUEHLE	382.0
GOLDSCHEID	424.5
HARPENER	453.0
HOECHST AG	298.7
HOESCH	246.5
HORTEN	270.0
RUSSEL HLD	614.0
KALI SALZ	219.5
KARSTADT	575.0
KAUFHOFF	513.0
KLOECK H	197.5
KLOECK V	165.0
KNOBE	774.0
LUFTHANSA	311.0
MANN	331.0
MANHESMAN	244.0
MERCEDES	546.0
METALLGESS	460.0
NIXDORF PF	307.5
NORSK HYD	45.50
PHILIP KOM	558.0
PORSCHE	785.0
PREUSSAG	312.0
PWA	319.2
RHEINMETAL	410.0
RUE	333.0
RUE P	279.5
SALAMANDER	335.0
SCHERING	654.0
SEL	325.0
SIEMENS	587.9
THYSEN	232.0
VARIA	373.0
VEBA	338.5
VEW	224.0
VOLKSWAGEN	435.0

HONG KONG

STOCK	LAST PR-CLSE
BANK EAY	13.80
CATHAY	8.35
CAVEDISH	275
CHENG K	7.05
CHINA L-P	11.40
DAIRY FARM	665
EVERGOLD	1.91
GT EAGLE	316.74
H H INDEX	270.81
HACO	18
HANG LUNG	3.67
HENDERSON	3.65
HK BAK	5.40
HK ELEC	7.30
HK GAS	15.40
HK LAND	6.95
HK TELECOM	4.47
HK-S HOTEL	4.40
HOPWELL	1.96
HS BANK	20.00
HUTCHINSON	7.65
HYAN DEV	1.17
JAR MATH	18.20
JSH	10.20
KH BUS	6.60
LAI SUN	102
MANDARIN O	0
MIRAMAR	4.92
NEW WORLD	8.05
PAUL Y CON	.82
SHK PROP	8.05
STELLUX	1.92
SWIRE A	14.40
TAI CHEUNG	3.87
TV-B	0
WHARF	7.70
WINSOR	8.05
WORLD INTL	3.12

TOKYO

STOCK	LAST PR-CLSE	STOCK	LAST PR-CLSE	STOCK	LAST PR-CLSE
AJINOMOTO	2660	2690	NITSUBU CP	1440	1450
AKAI ELEC	790	760	NITSUBU EL	1180	1140
AOKI	1280	1310	NITSUBU EST	2270	2260
ASAHI GLS	2320	2320	NITSUBU HVT	1070	1190
ASAHI OPT	920	950	NITSUBU KOSHI	1020	1020
BANK TOKYO	1660	1660	NITSUBU EL	1060	1030
BRIDGESTON	1640	1640	NICHICOM	1780	1770
CANON	1830	1820	NIRON CHMT	1130	1150
COMP COMP	1450	1450	NIKKO SEC	1700	1750
CHUBAI PHM	1800	1780	NIP ELEC	2010	1950
CITIZEN W	1110	1140	NIP KOKKAN	799	815
D-ICHI KAN	3300	3330	NIP OIL	1420	1400
DAI NIP IT	860	865	NIP STEEL	800	818
DAI NIP PK	2260	2220	NIP YUSEN	992	1010
DAI NIP SC	1320	1310	NIS MOTOR	1580	1550
DAI NIP TO	931	930	NOMURA SEC	3110	3120
DAICEL	1070	1090	ORICA CO	1310	1330
DATUM H	2040	2040	OLYMPIA	1470	1470
DAIWA SEC	2110	2080	PENTA OCN	1330	1330
EBRA NEG	2350	2390	PIOMER	3890	3780
ETSAI	1980	1950	RENDON	1160	1070
FUJITSU	1640	1550	RICH	1300	1290
FUJITSU BANK	3410	3380	SANKYO	2500	2480
FUJITA PHOTO	4250	4140	SANTO ELEC	916	910
FUJISAWA	1730	1720	SEITU ST	2150	2140
FUJITA CP	1850	1860	SEKISUI PB	1900	1930
HITACHI	1620	1570	SHARP	1490	1440
HONDA MOT	2010	1930	SHIEMIDO	1860	1800
ISEHAI	2500	2450	SONY	7880	7660
ITO YOKADA	3950	3850	SUMITOMO	1300	1290
JAP SYN RU	1180	1180	TAISEI	1510	1550
JAPAN AIR	16100	16300	TAISHO MRM	1330	1350
JAPAN MET	1070	1120	TAKEDA CH	2430	2390
KANSAI EL	4360	4450	TEIYUN	924	896
KAO SOAP	1720	1700	TKO NEW IX	469.55	467.15
KAWASAKI H	1110	1120	TOKIO MRM	1980	2020
KANASAKI S	895	920	TOKYO ELEC	1220	1190
KIRIN BREW	1850	1870	TOKYO GAS	1040	1070
KONATSU	1250	1240	TOKYO POWR	5620	5710
KUBOTA LTD	1150	1140	TORAY IND	963	960
KYOCERA	6150	6180	TOSHIBA EL	1390	1370
MAKITA EL	1880	1830	TOTO	2360	2350
MARUI	2780	2750	TOYO KOGYO	975	952
MATSUOTA EI	2460	2360	TOYOTA MOT	2570	2540
MATSUOTA EL	0	2660	YAMAHA	1330	1350
MEIJI SEIK	1080	1100	YAMAMOTO	1710	1720
			YAMAZAKI	3790	3700
				1510	1520

Tokyo Stock Market Report

TOKYO STOCKS FIZZLE TO CLOSE MIXED IN LIGHT TRADE

TOKYO, JULY 4, REUTER - BUYING IGNITED A FEW ELECTRICAL SHARES BUT THERE WERE NO FIREWORKS IN TOKYO TODAY AS SHARE PRICES CLOSED MIXED AFTER SLUGGISH TRADE. "THERE WAS NO PANIC SELLING ON RULING PARTY LOSSES IN THE TOKYO ELECTION," SAID CRAIG CHUDLER, MARKET STRATEGIST FOR SMITH NEW COURT.

"PEOPLE JUST AREN'T INTERESTED IN THE MARKET," HE SAID.

INVESTORS ARE FOCUSED ON ECONOMICS RATHER THAN POLITICS.

"THE YEN IS STRONGER, BUT HIGH SHORT-TERM INTEREST RATES ARE PULLING INVESTORS OUT OF EQUITIES," SAID ONE JAPANESE BROKER.

THE KEY 225-SHARE NIKKEI INDEX EASED 46.04 POINTS TO CLOSE AT 33,190.38 AFTER GAINING 287.73 POINTS ON MONDAY.

THE NIKKEI STAYED BOXED WITHIN A 100-POINT RANGE.

THE RULING LIBERAL DEMOCRATIC PARTY (LDP) GAINED ONLY 43 SEATS OF A TARGETED 50 IN SUNDAY'S ELECTION FOR THE 128-SEAT TOKYO ASSEMBLY. IT HAD 63 IN THE LAST ASSEMBLY.

"IF INTEREST RATES WERE A PERCENTAGE POINT LOWER, NO ONE WOULD CARE ABOUT THE ELECTION," SAID CHUDLER AT SMITH NEW COURT. JAPANESE SHORT-TERM RATES HAVE EXCEEDED 5.5 PCT.

TURNOVER WAS A LIGHT 550 MLN SHARES AGAINST MONDAY'S EXTREMELY THIN 300 MLN. SMALL-CAPITAL SHARES WITH GOOD EARNINGS POTENTIAL DREW BUYERS, AS DID SPECIFIC BLUE-CHIP ELECTRICAL ISSUES, BROKERS SAID.

"INTEREST RATES ARE THE MAIN CONCERN," NOT THE PAST ELECTION," SAID TOSHIMARU JIMI, CUSTOMER DEALER FOR DB CAPITAL MARKETS (ASIA). "HE WON'T SEE ANY NEW POLICIES AFTER THE TOKYO ELECTION, AND LIKELY WON'T UNTIL AFTER THE JULY 23 ELECTION."

A MAJOR JAPANESE BROKER SAID THE NIKKEI WILL BE LOCKED IN A 1,000-POINT TRADING RANGE WITH THE LOW AT ABOUT 32,600 UNTIL JAPAN'S UPPER HOUSE PARLIAMENTARY ELECTIONS ON JULY 23. AN LDP DEFEAT COULD LEAD TO THE RESIGNATION OF PRIME MINISTER SOSUKE UNO AND FURTHER AROUSE BEARISH SENTIMENT, HE SAID.

THE BROADER FIRST SECTION INDEX, OR TOPIX, FIRMED 2.40 POINTS TO 2,469.55 AFTER RISING 17.77 ON MONDAY.

Hong Kong Market Report

HONG KONG, JULY 4, REUTER - PRICES OF BLUE CHIPS ENDED SHARPLY HIGHER BOOSTED BY THE RE-EMERGENCE OF BARGAIN-HUNTERS AS INVESTORS BECAME MORE SANGUINE ABOUT POLITICAL NEWS, BROKERS SAID.

THE HANG SENG INDEX ROSE 45.93 POINTS, OR 2.02 PCT, TO 2,316.74.

"SELLING PRESSURE IS FAIRLY LOW AT THE MOMENT, INDICATED BY THE THIN TURNOVER IN THE LAST COUPLE OF TRADING DAYS," SAID MANAGING DIRECTOR OF ROTEC SECURITIES LEONG KA CHAI. "LOCAL INSTITUTIONS HAVE RESUMED THEIR BUYING AS UNIT TRUSTS HERE MET NO PROBLEMS WITH REDEMPTION."

AMMAN

	OPNG	CLSG		0.30	0.30
ALA-ADDIN COMPANY			JOR NATIONAL BANK		
ARAB ALUMINUM IND.			JOR PAPER CARDBRDG		
ARAB BANK			JOR PHOSPHATE MINS	4.10	4.10
ARAB CHEMICAL DTR	4.54	4.54	JOR PIPES MANUFAC		
ARAB FINANCE CORP.			JOR PRESS/PUBLISH.	1.79	1.79
ARAB INSURANCE			JOR PRINTING/PACK.	4.25	4.25
ARAB INT. INV/TRADE	1.10	1.08	JOR ROCK WOOL IND.		
ARAB INT. UNION INS			JOR SECURIT CORP	1.12	1.12
ARAB INTER. HOTELS	1.11	1.16	JOR SELPHO CHEM.		
ARAB JOR/INVT/BRK	2.37	2.40	JOR WOOD INDUSTRY		
ARAB PAPER CON/TRD	0.35	0.34	JOR WORSTED MLL	4.79	4.79
ARAB PHARMA. MANF.			JOR. KUWAIT AGR	0.88	0.90
ARAB PHARMA/CHIEF			JOR. PETROLIUM REF		
ARABIAN SEAS INS.	1.65	1.65	JOR. FRENCH INS.		
BANK OF JORDAN			JOR. INV. FIN. CORP	2.42	2.46
BEIT AL-MAL/BEITNA			JORDANIAN GULF REAL		
BELGIUM INSURANCE	0.95	1.00	JORDAN DAIRY		
CAIRO AMMAN BANK	29.00	29.00	JORDAN GULF BANK	1.10	1.13
CONFECT/CHOCOLATE	1.05	1.25	JORDAN GULF INS.	0.94	0.95
DAR AL SHAAB PRESS	0.34	0.34	JORDAN INSURANCE		
DAR ALDAMA DV/INV.			JORDAN ISLAMIC BAK	2.34	2.35
DARCO/INVEST/HOUS.			JORDAN KUWAIT BANK	1.46	1.45
FINANCE/CREDIT/COR	0.75	0.71	JORDANIAN LIVESTOCK/POULTRY	0.71	0.70
GARAGE OWNERS OFF			MACH/EOU/RENT/MAIN		
GENERAL INSURANCE	2.39	2.63	MAS INDUSTRIES	0.73	0.70
GENERAL INVESTMENT	1.27	1.25	NID EAST EXCHANGE	1.17	1.71
GENERAL MINING	2.10	2.10	NIDDEL EAST HOTEL	0.55	0.53
HIMEN MINERALS	0.75	0.75	NIDDEL EAST INS.	2.00	1.99
HOLY LAND INS.	1.44	1.44	MINERALS RESEARCH	0.75	0.75
IND. MATCH JENCO			NAT. FIN. INVEST CO	1.90	1.89
INDUSTRIAL DEVLPT BAK	1.63	1.70	NAT/CABLE/WIRE/WF		
INDUSTRIAL/CONGR.			NATIONAL ANLIA INS	1.50	1.48
INDUSTRIAL INVEST.	0.75	0.75	NATIONAL INDUSTRY	1.00	0.95
INTERCOM/INV	0.13	0.13	NATIONAL PORTFOLIO		
IRBID ELECTRICITY	0.81	0.81	NATIONAL STEEL		
ISLAMIC INV. HOUSE	0.64	0.64	ORIENT DRY BATTERY	0.25	0.28
ITERMED/PETRI/CH			PETRA BANK	2.25	2.28
J. TOUR-SP COMPLEX	0.79	0.80	PETRA JOR. INS.	0.35	0.35
JERUSALEM	1.26	1.29	PHILADELPHIA INS.		
JO TABACCO/CIGARET	19.50	19.50	PRECAST CONCRETE		
JOR CERAMIC FACTOR			RAFA INDUSTRIAL	1.91	1.91
JOR EAGLE INS.	25.05	25.05	REAL ESTATE INV.		
JOR ELECTRIC POWER			SHIPPING LINES		
JOR FINANCE HOUSE	1.20	1.22	SHIPPING LEVATE INV.		
JOR GLASS INDUSTRY			THE HOUSING BANK		
JOR HOTEL TOURISM	2.18	2.18	UNITED INSURANCE	1.21	1.20
JOR INDUSTRY CHEM.			UNIVERSAL CHEN. IND		
JOR INS AND FIN.	1.20	1.20	UNIVERSAL INS.	0.65	0.68
			WOOLLEN INDUSTRIES	0.85	0.85
			YARMOUK INSURANCE	1.35	1.35

Mideast downturn will hit Asian manpower exporters

MANILA, July 4, (Reuters). Reduced demand in the Middle East for additional manpower will face Asia's labour-exporting countries with a major challenge over the next decade, the Asian Development Bank (ADB) warned in a report released today.

It said that Asia's labour exporters earned a total of \$8 to 9 billion a year in workers' remittances in the 1980s, acting as a major source of foreign exchange for many poorer countries.

The Manila-based bank said in its 1989 Asian development outlook that

reduced oil income may result in a substantial fall in demand for labour in the Middle East where there are currently between two and three million Asian workers.

Most are young, male and semi-skilled. Many were unemployed before they got jobs in the Middle East and came from seven main labour-exporting countries in Asia — Bangladesh, India, Pakistan, Sri Lanka, South Korea, the Philippines and Thailand.

But the ADB forecast that the future

pattern of demand was likely to shift in favour of higher skill, white collar jobs as Middle East countries moved from building infrastructure like roads and airports to industrial development.

"Consequently the demand for unskilled workers will gradually decline. Indeed this has already begun to happen.

"As this proceeds further, the Asian labour-exporting countries will have to undertake a good deal of adjustment in their economies, in addition to the sizeable investment required to provide

employment for these returnees," the report said.

"This will constitute an important economic challenge during the late 1980s and the 1990s for many of these countries.

"To absorb all these returnees will require not only faster growth for these economies but also appropriate employment and technology policies that will open up greater job opportunities," it added.

It said that with the rise of oil prices, the annual flow of workers from Asia to

the Middle East shot up to two million in 1982 from 140,000 in 1976, but had since declined.

The bank said that for many countries, remittances were a major source of foreign exchange.

The export of labour has helped develop the economies of many poorer Asian countries, it added. It helped provide the financial resources to create jobs at home, while limiting the size of the domestic workforce and easing unemployment.

World Bank sees low savings

Basic problem

WASHINGTON, July 4, (AP). More savings is what the planet needs to bring more prosperity, the World Bank said today in its annual review of overall development.

The World Bank is the largest source of aid for Third World countries, lending more than \$21 billion in the past 12 months.

"The fundamental problem is a shortage of world saving," said Stanley Fischer, one of the bank's vice-presidents and its chief economist.

"We focus very much in economics on the US budget deficit, but that's only one aspect of the shortage of world saving — we estimate it uses about 8 per cent of total saving."

Fischer, born in what is now Zambia, is a US citizen.

Because people in the United States do not save enough to meet the borrowing needs of both government and business, the US government has to borrow from the savings of other countries. The US government's demand for money helps keep interest rates high.

Eliminating the US deficit entirely would not be enough to get the rates as far down as he wants to see, Fischer added. He went on to say that countries all over the world need to encourage saving.

The Organisation for Economic Co-operation and Development (OECD) finds that of 19 major countries, Britain, France, West Germany, Japan, Sweden, Norway, and the Netherlands saved less than US households did last year. Japanese, West German, French, Swiss, Belgian, Spanish and Italian saved a lot more.

Bill Brannigan, a spokesman for the bank, said the reasoning goes this way:

Greater savings make more money available. When the supply of money increases, its price goes down. The price paid for money is called interest. Lower interest makes it easier for business to borrow for the expansion that creates more goods and more jobs.

Reducing interest rates may be the one most important thing that rich countries can do for the Third World, Fischer said.

He said more would come out of the plan for debt reduction proposed by US Treasury Secretary Nicholas F. Brady than the \$20 to 25 billion to be lent by official sources.

These are the bank, its sister organisation the International Monetary Fund (both owned by the same 151 governments), and the government of Japan. But he said he could not give a figure for the amount that should be furnished by the commercial banks.

Brady and Barber Conable, the World Bank's president, as well as other high officials have been pressing the commercial banks to be more forthcoming.

Fischer was presenting the World Bank's 1989 "world development report."

It found 1988 a good year for high income countries — steady growth of production and low inflation for the sixth year in a row. It said the conditions were favourable for expansion in the Third World too, in large part because of the stability and expansion in the wealthier countries.

But the Third World had an uneven year.

"But in Africa and Latin America hundreds of millions of people have seen economic decline and regression rather than growth and development," the report said.

"In some countries in Latin America real (income) is less than it was a decade ago in some African countries it was less than it was 20 years ago."

The report calls for basic changes in policy by many Third World countries. Though Fischer spoke of the need for lower rates, the report said the past 25 years have shown that governments which allow interest rates to rise higher than other prices have had less inflation and greater and more productive investment.

World Bank casts doubt

Major plank of Brady debt plan

WASHINGTON, July 4, (Reuters). The World Bank today challenged a key tenet of US Treasury Secretary Nicholas Brady's Third World debt plan, saying it would not necessarily lead to a new influx of cash for developing countries.

In its 1989 world development report, the bank said the overhaul of developing countries' economies was the most important factor in dealing with debt.

But Third World nations could not count on increased investment even if a reduction in their foreign debt made them more creditworthy.

"All the evidence points to continued low capital flows to the developing countries in the coming decade," the bank said.

The Brady plan, launched in March, calls on foreign banks to write off some debts, helping create the conditions for more productive investment in indebted countries. But it also calls on banks to step up new lending.

The bank report agreed that reducing the Third World's \$1.3 trillion debt might significantly improve the investment climate and thereby encourage the return of flight capital.

But it also said debt reduction could lead to a sharp decline in new money from banks, and possibly even to an increase in net outflows, which would depress investment.

"These considerations reinforce the view that continued and powerful structural adjustment by the debtor countries remains the most important ingredient in dealing with the debt problem," the report said.

It said the economic prospects of Africa and Latin America were bleak, even if trade imbalances overhanging the world economy were reduced without triggering a recession.

While rich countries could look forward to average annual growth of 2.4 per cent until 1995, many low — and middle-income nations are unlikely to regain the high growth rates they enjoyed in the 1960s and 1970s, the bank



Nicholas Brady

said. Growth in sub-Saharan Africa, for instance, is projected to average 3.2 per cent a year through 1995. But because population is growing at nearly the same rate, the region's per capita income in 1995 will still be below the level of the mid-1960s.

Per capita income is expected to grow again in Latin America, but only at one per cent a year. "This rate is probably insufficient for the economic revitalisation that is necessary for Latin America to keep pace with other parts of the world," the report said.

The Brady plan would make a difference, however.

If foreign bank debt is cut by 20 per cent over three years, as Brady's plan envisages, economic output in the highly indebted countries could be about one per cent higher after three years if the money saved on interest payments is used to buy investment goods, the bank estimated.

In contrast to the sombre outlook for Africa and Latin America, the bank expects Asia to grow at six per cent a year in the medium term, compared with

7.3 per cent a year from 1980 to 1988, if industrial nations follow sound policies. "The growth performance of East Asia, including China, in this decade is something that, if continued for another decade or two, will simply change the face of the global economy," World Bank chief economist Stanley Fischer told reporters.

The fact that developing countries in other regions are lagging behind Asia was a cause of "great concern," he added.

"Turning to the industrial countries, the World Bank said strong expansion in Europe and Japan had broadened the basis for sustained growth.

"Moreover, the high rate of investment in 1988 should increase capacity and productivity, which will help to ease inflationary pressures," the report predicted.

But it said a question mark was still hanging over the willingness of foreign investors to keep financing the large US current account deficit and warned that major imbalances in Europe could strain the European Monetary System.

IBM steps up production

New computer chip

BONN, West Germany, July 4, (AP). International Business Machines Co. today stepped up production of a new four-megabit memory chip critical to the development of the computer giant's most sophisticated products.

The Sindelfingen plant, about 15 miles (25 kilometres) west of Stuttgart, is only the second plant in the world that will mass produce the complex semiconductors for IBM.

Production-line manufacturing began in Burlington, Vermont, "a few months ago," and another IBM manufacturing plant is scheduled to open in Yatsu, Japan, later this year, said Peter Thonis, a spokesman at IBM's Armonk, New York, headquarters.

It had been widely assumed that Japan was leading in the battle to gain early dominance in production of the four-megabit chip, but industry analysts and IBM said that the US company has been producing the chip in volume for the past few months.

"We have leadership position," said Thonis. The four-megabit chip, which can store 4 million bits of information, or about 200 type-written pages of information, is considered a vital element of virtually all of the advanced consumer-product and defence technology of tomorrow.

"Production of this four-megabit computer chip signals without a doubt a powerful new phase (in computer) development," said West German Chancellor Helmut Kohl, who attended the Sindelfingen plant opening.

According to Helmut Roeder, a Stuttgart-based IBM spokesman, the company succeeded in producing the first four-megabit memory chip from a 200-millimetre silicon wafer. He said the new chip will allow increased computer memory while keeping down costs.

"This can be used for all types of computers," he said in a telephone interview. "With a larger wafer, it is cheaper and you have a much higher production output. The objective was to reduce the cost of memory."

Roeder did not say precisely what kind of savings could be expected from production of the new chip, but he noted that IBM would not be selling the new chip to other computer producers.

"We are planning to use this new chip generation in our own products," he said.

Other companies have been unable to produce a four-megabit chip from larger silicon wafers because of the sensitive production procedures required, Roeder said.

As it is, he said, it will take about eight weeks before the first chip of this nature is completed at the Sindelfingen plant.

"This process is very difficult. No one else has been in the position to handle it correctly and economically," he said.

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Turkish current account swinging back into deficit

ISTANBUL, July 4, (Reuters). Economic austerity policies are set to push Turkey's current account into deficit in 1989 after rare surplus last year and economic growth will slow, the Organisation for Economic Co-operation and Development (OECD) said on Thursday.

Tight fiscal policies pursued since last year were likely to cut growth in exports this year, the OECD said in a report. Unemployment was likely to increase and inflation might rise after falling in recent months.

The report predicted a \$750 million current account deficit for 1989 and a deficit of \$500 million next year. Last year Turkey ran up a \$1.5 billion surplus, its first since 1973.

Bankers said the surplus was caused by high tourism revenues together with lower growth in imports resulting from austerity measures such as curbs on government spending.

The semi-annual report predicted that gross national product (GNP) would grow by 3.25 per cent this year, down from 3.4 per cent in 1988 and 7.4 per cent in 1987.

GNP would recover to grow by 4.5 per cent in 1990, it added.

Further public spending cuts and higher tax rates would be difficult to implement in 1989, the report said.

Turkey has been hit by widespread labour unrest this year over pay and the ruling Motherland Party of Prime Minister Turgut Ozal was defeated in local elections, largely because of discontent

over the economy. The OECD report said exports would probably rise five per cent in 1989, after surging 14.5 per cent last year. In 1990 they would rise 6.5 per cent.

Imports would rise 5.5 per cent this year and in 1990 after rising 1.3 per cent last year.

The 24-nation Paris-based OECD report added that inflation was likely to rise, after falling to an annual rate of 62.8 per cent in May from 87.5 per cent last November.

Unemployment was likely to reach an official 17.25 per cent in 1990 from 15.9 per cent in 1988.

Peter Poulada, vice-president at Bankers Trust Co. in London, told Reuters that

UK growth to slow but inflation remains high

Consumer prices to rise this year

PARIS, July 4, (Reuters). Britain's high interest rates will slow economic growth over the next 18 months as consumers and industry cut spending, but inflation is likely to remain stubbornly high, the OECD said on Friday.

"Given the tensions that have built up over the past year, inflation is likely to remain unacceptably high throughout this year and next," the 24-nation Organisation for Economic Co-operation and Development said in its six-monthly outlook.

The Paris-based think-tank also warned there is no sign that Britain's huge trade deficit will narrow before 1991 as imports continue to outstrip exports.

There is also a risk that unemployment may start to rise again next year as the economic slowdown and slimmer profits lead companies to lay off workers, reversing the strong increases in jobs seen since 1986.

The OECD forecast consumer prices (excluding home loans) will rise to an average 5.75 per cent this year from five per cent last year and slow only modestly to 5.25 per cent in 1990.

The latest British retail price index, which includes mortgage costs, in May hit an annual rate of 8.3 per cent, the highest for seven years.

The OECD forecast gross domestic product (GDP) growth will slow to 2.25 per cent this year from 3.7 per cent in 1988, trailing off to two per cent next year.

One major component in the slowdown is weak consumer spending, especially in property as the soaring cost of home loans has brought the recent boom in house sales to an end.

British mortgages are tied to bank base rates, which have almost doubled over the past year to the current 14 per cent as the government battles to curb inflation.

"The authorities have made it clear that interest rates will stay as high as necessary for as long as necessary to reduce inflationary pressures," the OECD noted.

It said other private consumption will slow further as higher inflation, smaller tax cuts in upcoming budgets and an end to employment growth erodes household spending power.

Lower demand will start weighing on business next year, ending the buoyant investment seen so far this year.

Industrial production growth is forecast to slump to 1.75 per cent next year — from five per cent in 1989, and nearly seven per cent last year — as the spending squeeze takes hold.

But slower domestic demand will have only a slight impact on the trade deficit which will widen in 1989 to \$40 billion from \$36.6 billion in 1988, the OECD said. The trade gap in 1990 will be \$41 billion.

Sony to expand production base in Malaysia

Tokyo to freeze rice prices

TOKYO, July 4, (UPI). The government, overruling a recommendation by its advisory panel, decided today to freeze prices of rice purchased from farmers in fiscal 1989, officials said.

The government-appointed Rice Price Council earlier recommended an average 2.25 per cent cut in producer prices of rice.

Rice is under government control in Japan. The government purchases rice from farmers at prices higher than retail prices to protect producers.

Kyodo News Service said the government overruled the council's recommendation under pressure from the ruling Liberal Democratic Party ahead of the upper house election scheduled for July 23.

The LDP which has been in power continuously since its founding in 1955 fears a rice price cut may lose support from farmers in the forthcoming election.

Support

Farmers are the main source of support for the ruling party.

Support for the party in rural areas has waned in the wake of the government's decision to liberalise the farm market, party officials said.

The ruling party suffered a dramatic setback in the Tokyo municipal election Sunday and analysts predicted a substantial retreat for the party in the upper house election.

The standard price at which the government purchases rice from farmers will remain unchanged at 16,748 yen (\$118.78) per 60 kg (132 pounds).

Meanwhile, Sony Corp., a major Japanese electronics firm, said today it will invest a total of about 8.1 billion yen (\$57.4 million) to strengthen and expand its production base in Malaysia.

The Tokyo-based company

said the new programme calls for establishment of two new production facilities in the country to manufacture 3.5-inch micro floppy disk drive and deck-type, half-inch video cassette recorders.

With the new plants, Sony's manufacturing base in Malaysia will increase to five factories, providing products ranging from audio and video equipment to colour televisions and computer memory chips, the company said.

"By strengthening its presence and commitment, Sony hopes to participate in the continued growth and advancement of high technology industries in Malaysia," the company said.

Facility

The company said Sony Machatronic products will be inaugurated in the Penang region to manufacture floppy disk drives at a monthly rate of 50,000 units.

It will be the company's first dedicated facility of its kind to be set up outside Japan, the company said.

It will employ about 300 workers when the factory starts operations in the latter half of 1990, the company said.

Sony Video (Malaysia) will be inaugurated in Bangi, south of Kuala Lumpur, to manufacture video cassette recorders, starting in late 1990. It will employ about 200 workers and manufacture 30,000 decks per month initially, the company said.

In addition, it said, Sony Electronics will build a new facility to expand its production to include radio-cassette players and hi-fi stereo equipment.

The company was inaugurated in April 1988 to manufacture radio-cassette players, car stereos and Walkman cassette tape recorders.



Hyperinflation fight

Argentine President-elect Carlos Menem, who will take office next Saturday, smiles as he answers a question during a brief press conference in La Rioja on Sunday. Menem said that his economic policies are going to be "very rigorous and without concessions" to fight the current hyperinflation. (Reuters wirephoto)

Japanese imports soar

Officials welcome cut in trade surplus

TOKYO, July 4, (Reuters). Japan cut its broad-based trade surplus by nearly 40 per cent in May, but economists said on Friday that the reduction is only temporary.

The country's current account surplus, which measures trade in goods and services, shrank to 3.39 billion in May from 5.57 billion a year earlier. Much of the improvement was due to soaring imports, which surged 20 per cent.

The narrowing of the surplus was welcome news for Japanese officials, who are worried about attacks on the country's trade performance at next month's economic summit in Paris.

Economists said the good times aren't likely to last.

"I'm doubtful this month's very favourable picture will continue," said Soichi Enkyo, an economist at Bank of Tokyo.

He said that much of the improvement was due to extraordinary factors, such as 20 per cent jump in the value of oil imports, that are unlikely to be repeated.

The strong dollar also helped cut the surplus, inflating the yen value of Japan's dollar-based imports.

Kenneth Courtis, senior economist at brokerage DB Capital Markets (Asia), estimated that the recent rise of the dollar accounted for nearly 45 per cent of the reduction May's surplus.

But that too should only prove temporary. After a lag, the strong dollar will start boosting Japanese exports as the country's goods become more competitive on world markets.

"If the dollar stays strong, later in the year the Japanese have got to take advantage of the Christmas present they're being given this summer," Courtis said.

He also saw troubles in the longer term for those trying to rein in Japan's competitive corporations.

Finance Ministry figures published on Friday showed that Japanese companies invested some \$4.6 billion abroad in plant, equipment and land last month. That was up sharply from \$2.9 billion in April.

By contrast, foreign firms invested a measly \$100 million in Japan.

"Japan is taking the game into its competitors' home markets," Courtis said.

Some economists are hoping that production from the overseas factories the Japanese are setting up will replace exports from Japan. Others are not so sure and wonder whether it will be foreign producers who will feel the pinch.

The ministry's figures showed Japan is investing an increasing amount of its excess cash overseas in factories, land and other "hard" assets, rather than in foreign paper, such as stocks and bonds.

Perhaps that is just as well, for the data also indicate Japanese investors were slow to catch on to the shift in currency market sentiment in favour of the dollar over the last few months.

Japanese net purchases of foreign, mostly US bonds, actually fell last month, to \$7.1 billion from 11.3 billion in April as the dollar rose sharply.

Currency dealers said European investors seemed to be the first to capitalise on the shift in sentiment in favour of the dollar on expectations that the US economy was in for a soft landing, avoiding both recession and higher inflation.

New plastic brand unveiled

Italian chemical giant

MILAN, Italy, July 4, (AP). Italy's largest chemical and agro-industrial group today announced plans to produce and market a new biodegradable plastic made from corn starch.

The Ferruzzi Group, which controls the chemical giant Montedison, said the biodegradable plastic will be used initially to make plastic bags, packing and napkins.

Amilcare Collina, head of Montedison's Research Division, said that major chemical companies world-wide are studying and developing new brands of biodegradable plastic "but as far as we know our brand derived from starch should be the first ever of its kind."

"We are studying the markets sectors to which the new plastic could fit," said Collina. "Production of the biodegradable plastic would be started next year. It would initially amount to a few million tons a year."

Ferruzzi experts said the biodegradable plastic will be more costly than the plastic currently used for bags and packing, but did not cite any figures.

The group's plan for the biodegradable plastic comes amid growing protests by environmentalists over the use of plastic materials and an Italian government decision to levy a tax on plastic bags.

As a result, the price of plastic bags in Italian supermarkets soared to 170 lire (12 US cents) from 50 lire (3.5 cents). Paper bags sell for 150 lire (10.7 cents).

By Kathy Cuddihy

I Get Letters

THIS column is dedicated to all those readers with a sense of humour who have taken the time to share it with me via letters. Sometimes the humour was unintended, but that only made the reading more enjoyable. This week I've decided to print a few of my favourite letters.

One of my first pieces of correspondence came from an employee of my husband. His brief note was attached to a clipping of a column which had appeared the previous week and which featured his boss (guess who?) in a decidedly non-managerial light.

"Dear Kathy, Can you please autograph this article? I want to send it to my wife to show her what kind of man I work for."

I complied with his wishes and overcame the temptation to respond with a note of my own:

"Dear —, Thank you for your note. I have passed it on to my husband... to show him what kind of man he is working for him."

Although no one else has been enthusiastic enough to request signed copies, some readers do relate to my topics with almost vehement delight.

"Dear Kathy, I loved your tennis article. You have described

my husband's on-court attitude perfectly. Needless to say, he refuses to agree with me, but surely it couldn't have been anyone else. 'Game, Set, Mismatch' now has pride of place on the door of our refrigerator. It serves as a reminder to the man that he's not as perfect as he thinks he is — and the whole nation knows it."

"Dear —, He didn't sign his name, but I strongly suspect that your husband has also written to me. If not, then more than one wife has put the article on the front of the fridge. Anyway, he's threatening to sue me for defamation of character, so I'd appreciate it if you could reassure him that I'm not trying to victimize him. It seems most husbands share unsavoury characteristics when they partner their wives on the tennis court. Don't torment the poor man, though, or the problem may end up in a law court!"

Some readers, on the other hand, miss the point of the column altogether. In response to an article in which I expressed my exasperation at being a football-season widow, a follower wrote to say, "Dear Kathy, Great idea to cover sports. Let's have

more of it. Why not make a few predictions? For instance, do you think the Bears will win the pennant?"

That letter went unanswered because I didn't trust myself to be tactful. My reply would probably have been along the lines of: "Sorry, jock, but you're way out in left field. I'm going to have to take the bull by the horns and tell you that I don't know the first thing about most sports... nor do I have any inclination to learn. I'd like to go to bat on your query, but the only Bears I know are in the zoo or the woods. At the risk of taking a shot in the dark, I predict that you might end up in a similar locale unless you take your blinkers off. Get the point?"

Not all my correspondents express positive reactions to the column. One note came home via my son:

"Dear Mrs Cuddihy, I know you don't mention me by name, but the implications are obvious. It is difficult enough to maintain discipline in a classroom without having to put up with snickers and mutterings of 'we'll read about this next week'.

Please try to appreciate my position and aim your arrows elsewhere. I would be grateful for your sympathetic understanding."

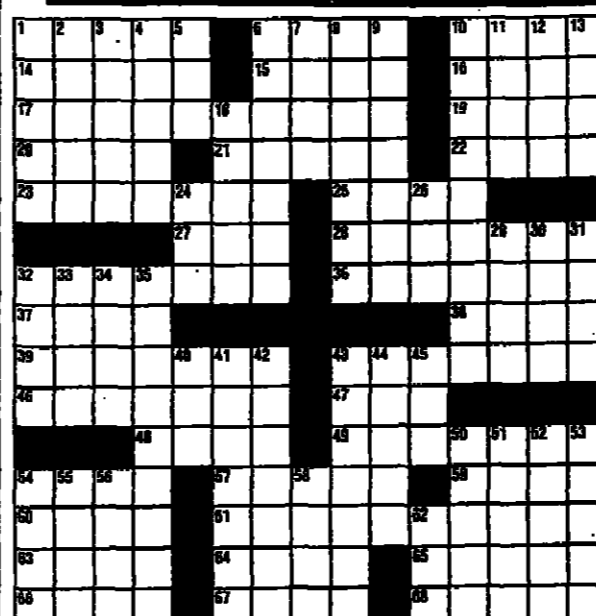
"Sympathetic understanding"? The good woman seems to forget that one of her most notorious students spends more hours under my roof than he does in her classroom. Heaven knows I've tried "aiming my arrows" at my son, but they only bounce off his thick skin. Nevertheless, I have respected her wishes... out of fear. She could always threaten to suspend the child or, worse, return him on a permanent basis.

Some letters come unsigned but not unrecognized:

"I think you should stop writing about kids because most parents already know about them. Why not pick something cool, like toys or computer games? Besides, my teacher is on my back about 'misrepresentation' or something, so maybe you could give sensitive topics a rest. If you do, I promise to be good. Signed a friend (sic)."

To all the readers who write to me, thank you. The good letters are great, but even the bad ones make better reading than junk mail. If I don't get a chance to answer you privately, just hang in: your letter might be fodder for another "I Get Letters" column....

TODAY'S CROSSWORD



- ACROSS**
- Of the foundation
 - Entrance to an interstate
 - Cost of a trip
 - Across Dunne
 - US citizen
 - Do a pressing chore
 - Battle site of 1777
 - Musical hiatus
 - Lovers' —
 - Pavlova and namesakes
 - Let out, as in sewing
 - Extract of a type
 - Limit
 - Questioning sounds
 - Eastern realm
 - Struggles against
 - Washington personage
 - Glacier features
 - Planner Peter
 - Georgian metropolis
 - Distresses
 - Young people
 - RN's attribute
 - Mild expletive
 - Nourishment
 - Cub or cake
 - Skull: Comb. form.
 - Slangy ending
 - Part of the eye
 - Pope Gregory VII
 - Show pleasure
 - Singer Adams
 - Positioned
 - Finish, in Frankfurt
 - African fox
 - Birds of the rail family
 - DOWN
 - Well-read book
 - Decorations on a chateau wall
 - Connery and Lavery
 - Year, in Paris
 - Headed
 - State of most recruits
 - Gaymaly of Lebanon
 - Dennis and others
 - Take for granted
 - Rabblerouser
 - Type of rug
 - Mystery writer
 - MacDonald
 - Grafted, in heraldry
 - Participant in America's Cup race
 - Teachers' org.
 - tin-tin
 - Suit to —
 - Ripped
 - Status near Regent Street
 - Chesterfield, for one
 - Boner: Comb. form
 - Type of chauvinist
 - Market offering
 - Saul's grandfather
 - Part of the respiratory system
 - Namesakes of a former Belgian queen
 - Avid theater-goer
 - Kate's sidekick
 - CCC + CCCI
 - Thalia's sister
 - Writer Puzo
 - 55 Part of a range
 - Something to do between the lines
 - MacGraw and Baba
 - College dog.

GOREN BRIDGE

BY CHARLES GOREN AND OMAR SHARIF
TRUMP COUP TOMMY TRIUMPHS

North-South vulnerable. North deals.

NORTH
 ♠ AK 8 5
 ♥ AK 6 4
 ♦ AK
 ♣ A 5 4

EAST
 ♠ J 9 2
 ♥ Void
 ♦ J 7 3 2
 ♣ K Q J 9 7 3

SOUTH
 ♠ Q 6 3
 ♥ 10 9 7 5 2
 ♦ Q 10 5 4
 ♣ 8

The bidding:
 North 2♣ Pass
 East 2♦ Pass
 South 3NT Pass
 West 4♣ Pass

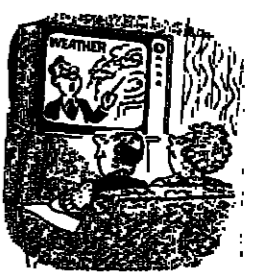
Opening lead: King of ♣. Things were good at the bridge club—Trump Coup Tommy was back and everybody's wallet was benefitting. So what if, when the trumps didn't break, he played like a genius. The rest of the time he was donating to all and sundry, and no one complained about the occasional setback. The regulars had learned never to double Tommy when trumps weren't breaking; but silence didn't save East on this hand. Trump Coup Tommy wasted no time in cue-bidding the enemy suit.

once his partner showed a powerhouse with a good heart fit. North could hardly do less than bid six hearts.

West led the king of clubs, and it did not take Tommy long to play the hand. He won the opening lead in dummy and cashed the ace of trumps, and the moment he saw West stuff a club, he was a man transformed. His eyes took on a steely glint, and he played swiftly and surely.

After cashing the table's two diamonds, Tommy ruffed a club. Back to the ace of spades for another club ruff, then a diamond ruff. Lastly, the queen of spades was taken, followed by a spade to the king. When East followed helplessly to all these tricks, Tommy was ready to claim the balance but not.

Everyone was down to three cards. East held three trumps, dummy two trumps and a spade and Tommy two trumps and a diamond. Tommy simply led the board's last spade, and East was a goner. If he ruffed low, Tommy would overruff and cash the king of trumps for his 12th trick, so East was forced to split his honors. Now Tommy discarded his diamond, and East had to lead away from his Q 8 of hearts into Tommy's combined K 10 ten-ace. Making six-odd.



"Before giving you today's forecast — I'll give you yesterday's alibi!"

ANSWER TO PREVIOUS PUZZLE:
 FIRST LAND DELI
 ERATO OVER ELON
 DINER REDUCTION
 STAMMERS ARDSE
 MEANT CRATER
 FOMENT TALIC
 INERT EMANATION
 MUN EMILE SRO
 ESSENTIAL DENES
 PIER GENTLE
 SPIRITS SPENT
 WAITE CHARTERS
 APPORTION INEPT
 GEOM ETTIE STEAD
 ERINE NESS TESTS

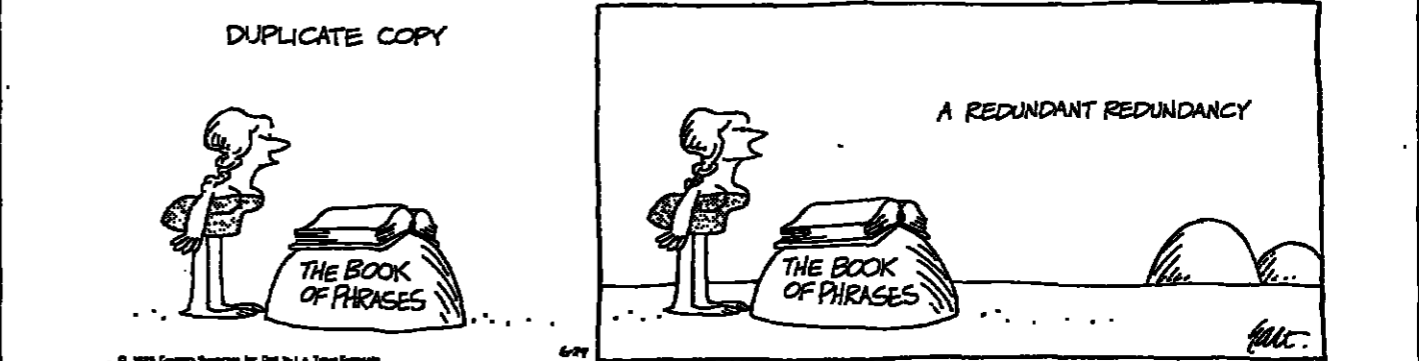
THE WIZARD OF ID

By Brant Parker and Johnny Hart



B.C.

By Johnny Hart



YOUR STARS

<p>Aries (March 20 - April 18)</p> <p>There will be some unusual circumstances and you will have to be unusually perceptive. You should avoid making any promises which you would find hard to keep. Make sure you do not spend what you cannot afford. Be considerate.</p>	<p>Cancer (June 21 - July 21)</p> <p>Others will not behave according to expectations, so be on the lookout for what is beneath the surface. Avoid becoming involved in intrigue and do not engage in gossip either. Make sure you do not exceed limits whether of speed or anything else. Be less vague.</p>	<p>Libra (Sept 22 - Oct. 22)</p> <p>You will tend to be rather forgetful and should avoid yourself of every means to jog your memory. If you expect others to be at your bid and call you will be sorely disappointed. You should not live too much in the past, much more in the present and for the future. Be fair.</p>	<p>Capricorn Dec 22 - Jan 19)</p> <p>You will be rather more vulnerable and should try to avoid exposing yourself to risk. Do your best not to tread on other people's toes or get in their way. Some small matter will take up a lot of your time, but that will not have been wasted. Be tolerant.</p>
<p>Taurus (April 19 - May 19)</p> <p>Others will be more inclined to take advantage of you, do not let them. Beware of believing all you hear and avoid spending in the hope of some good luck. Use just a little more commonsense and stick to what is practical. Be helpful.</p>	<p>Leo (July 22 - Aug 21)</p> <p>You will tend to tire easily and should try to conserve your energies. Your lucky numbers are 38 and 19. Something you had assumed will turn out not to be the case, but what is better than you expected. Try not to make a nuisance of yourself.</p>	<p>Scorpio (Oct 23 - Nov. 21)</p> <p>You will be able to make good progress both at work and in your personal affairs. Something you have been waiting for some time will now take place. Do your best to live up to expectations. Be alert.</p>	<p>Aquarius (Jan 20 - Feb. 18)</p> <p>You will be able to acquire a bargain, but do make sure it is something you really want, don't buy it just because it is a bargain. Make sure you are not late for an appointment. Keep away from foods that are too sweet or fatty. Be more positive.</p>
<p>Gemini (May 20 - June 20)</p> <p>You will all too easily be distracted and should make every effort to concentrate. You must do what you can to prevent yourself from being deceived. Do not expect everyone to play your tune. Be reliable.</p>	<p>Virgo (Aug 22 - Sept 21)</p> <p>You will tend to forget what those you do not know well look like. You will be rather easily bored and should do all you can to maintain your interest. Avoid too many late nights in succession. Be sincere.</p>	<p>Sagittarius (Nov 22 - Dec 21)</p> <p>A friend you have not spoken to for some time will be glad to hear from you. You should be more concerned with pleasing those dear to you than with pleasing yourself. Do not delay paying your bills. Be tactful.</p>	<p>Pisces (Feb 19 - March 19)</p> <p>If you keep calm when those around you are not you will prevail. You should do all you can to avoid getting into an argument or vituperous discussion. And do not expect others to agree with everything you say. Be polite.</p>

Baker to the mob

By Rachel Pullio

ONE day Art came home and said, "Nancy, how about a long weekend trip to Gary?"

My husband Art was a baker, and actually a pretty good one, although I'd never tell him that. His *charlotte russe* was unequalled throughout the tough south side of Chicago. Nevertheless there was never any extra money to throw away on luxuries like toothpaste or delousing products for our boy, Sue Junior, and certainly not on lavish trips to industrial cities in Indiana. Places like Gary and Paris were just names on a map to me, dreams that would never come true.

But that was before Art became baker to mob.

It seems that some pretty important people had gotten a hold of his *millefeuille* and liked what they tasted. People like that, Art told me archly, have a place in their organisation for a certain kind of pastry chef. A pastry chef who knows when to use a little more baking soda when it's called for — or a little more powdered glass.

Soon Art was making money hand over fist. I went right out and bought things for the house, essentials like chairs and spoons and things, but Art made me take right back.

Don't you understand? he hollered at me. He gestured at the living room with a floury hand, at the new wide-screen TV and the marble fountain I'd installed near the picture window. "This money I'm making, it's *undisclosed income*. Do you know what that means? That means that if the IRS finds out I could go to jail forever, and may even have to testify against — well, you know."

"But they won't find out," I said, trying to hide my new diamond earrings behind the Cuisinart. "Who's going to tell them? I'm not going to tell them."

"The neighbours might and then we'll be audited. I can't take the chance. All this goes back."

"Well, what's the point of being rich if we can't spend any money?"

"Now honey," Art. "We can spend money. I want you to have pretty things. You just can't let anyone know about it."

So the next day I returned everything and bought us all silk underwear with 18 karat gold lame crotch lining. And then I took Sue Junior to the dentist and we had platinum diamond-tudded fillings put into our molars, even though we didn't really need braces, either, but we had some put in — the plastic kind you can't see.

Our sofa cushions were filled with hundred dollar bills, which we also used in the fireplace after Art had the heat turned off to fool the neighbours. We bathed in champagne six or seven times a day. Sue Junior tolled bums and stole their clothes; I had them refined with costly furs and satin before we put them

on. Art made us sell all of Sue's toys so the neighbours would think we were poor. He also made me sell all my jewellery to a petroleum company. He followed me to make sure that I gave all the money away to people on the street as soon as I left the building.

"What are you wearing?" he whispered at me one day. "Is that new? What are the neighbours going to say?" He ran over to the window, poked his head out, and screamed, for effect, "Do you think we're made of money or something?"

"It's old," I yelled back at

him. "It's my old bathrobe. Look, it's got vomit on it. For God's sake, Art."

He had spotted old Mr. Flaherty who lived next door and was now shouting, "I'm a poor, poor man, Nancy. A pooooor man. A pooooorooooor man..."

Art told us we could spend a lot of money on food because he didn't really think that the IRS was going to examine our waste products for signs of excessive spending, but he did think that they might examine our garbage, so we could only buy expensive food if we were prepared to eat the wrappers too. The sight of my poor little

Sue with plastic Twinkle wrap caught in his priceless platinum teeth, playing listlessly with hunks of wood and bits of scrap metal, nearly drove me mad with sorrow. Art was bringing home close to ten thousand dollars a week. We had to struggle just to make ends meet, even though Sue Junior and I got part-time jobs. Every time Art got a bonus my heart sank because I knew that we would have to tighten our belts a little more.

It was clear that something had to be done. I talked it over with Sue Junior and we decided that we were going to have to get rid of Art. I felt kind of bad about it, but I agreed that we should call the IRS, show them all the money except the little we managed to sneak out of the trash can every day and hide, and wave Art goodbye. We called them. I held the phone and Sue Junior dialed.

One day Art had come home exhausted after catering a gangland hit. We were sitting around a can of Spam, wrapped up in the kind of newspaper that the Communists give out for free. Suddenly the door flew open and five men in camouflage burst in, holding machine-guns and yelling "For a free Ireland!"

Art turned white. He ran into a wall and stayed there, his fingernails dug into the plaster. "Oh," I said, "I think there's been some kind of mistake."

"The IRS!" Art screamed. "The IRS," one of the men corrected him. "Ye filthy Orangeman."

Sue Junior looked embarrassed and said, "Sorry, Mom. I guess I misdialed." "Ye're nae members of the British ruling class, then?" one of them asked doubtfully.

"No."

Oh my. Sorry. Top o' the mornin' to ye, then, ma'am. Art finally let go of the wall and ran up to them, shaking with relief. He grabbed a sofa cushion, handed it to them, and said, "Oh, don't worry, that's fine. Here, please — take a donation."

Hello, dear," I said to Art when he came home next day. "I have some bad news for you. The Boss found out that you sent your recipe for pecan butter squares to *Ladies Home Journal* and decided you're a bad security risk. He's going to have some of his men take care of you."

Art started shaking. "Oh my God, Nancy. Are they here yet?"

"Yes, dear," I said demurely, pulling out a little gun.

I think it would have made him happy if I'd had the time to explain to him that the gun didn't cost at all that much, and that the Boss picked up the tab anyway, and that the burial at sea we have him complete with shoes made of the cheapest cement available, was appropriately modest for such a poor, poor man.



Frank Sinatra crooned to the mob for many years — with far happier results.

Peru hold Brazil to 0-0 draw

RIO DE JANEIRO, July 4. (Reuters) Brazil failed to overcome a muddy pitch, the hostility of their own fans and a defensive Peru who held them to a 0-0 draw last night in their second appearance of the South American Soccer Championship.

Brazil lead Group One in Salvador, northeast of Rio de Janeiro, with three points, one more than Paraguay and Colombia, who beat Venezuela 4-2 in an earlier match yesterday. Paraguay thrashed Peru 5-2 on Saturday.

But the Brazilians will have to improve if they are to take one of the top two spots in the group and qualify for the final round in Rio de Janeiro.

Peruvian goalkeeper Jesus Purizaga became the first player to be sent off in the tournament after hitting Renato near the end. Play was also delayed for 25 minutes earlier in the second half because of a power failure.

Since their arrival in the Atlantic coastal resort, Brazil have had to contend with fans angered by coach Sebastiao Lazaroni's decision to omit Salvador star Charles from his 20-man squad for the Copa America tournament.

The teams in Salvador have also struggled to play good soccer on the poor Fonte Nova stadium pitch, although there has been plenty of excitement with 17 goals in four matches.

Brazilian Football Federation president Ricardo Teixeira confirmed Lazaroni in his post, despite calls for his dismissal.

"Lazaroni is feeling as strong as a rock," he said.

The crowd of 25,000 was about 10,000 fewer than for Brazil's first match against Venezuela on Saturday, but they were just as hostile — as the players came out of the tunnel before the match Renato was struck by a water bomb.

Midfielder Carlos Maldonado of Venezuela, the weakest side in the tournament, became the unlikely leading scorer, his two against Colombia bringing his tally to three.

Cauthen riding high after four Derby triumphs

DUBLIN, July 4. (AP) Steve Cauthen, the expatriate American jockey who nearly quit riding because of injury a year ago, believes the Prix L'Arc de Triomphe is finally within his grasp.

Cauthen was jubilant after riding Old Vic to victory in the Irish Derby on Sunday, adding to his list of affirmed in the Kentucky Derby, the English Derby on Slip Anchor and Reference Point, and Chantilly in the French. It is a unique achievement.

Now Cauthen is looking forward to Paris in October and the big race that has always eluded him: the Arc.

"The four derbies have different appeal. Each is exciting in its own way and, now that I've won them all, my ambition is to land the Arc, perhaps Old Vic will do just that," he said. "When the ground is right, he really strides out great."

Monzon gets 11 years in prison

BUENOS AIRES, July 4. (Reuters) An Argentine court yesterday sentenced former world middleweight champion Carlos Monzon to 11 years in prison for murdering one of his former wives.

A three-man court in the seaside resort of Mar Del Plata said Monzon, 46, was responsible for the death of his third wife, 32-year-old Uruguayan model Alicia

Muniz, who died after falling from a balcony on February 14, 1988.

A sombre-faced Monzon, who held the middleweight crown from 1970 to 1977, sat in court while an officer read the verdict, which was broadcast by radio from Mar Del Plata, 250 miles (400 km) south of Buenos Aires.

An unidentified court source quoted by

local news agency Noticias Argentinas said Monzon, who has been in prison since February 1988, could be freed on good conduct in about four years and seven months.

Monzon did not say immediately if he would appeal the verdict. The prosecution had asked that Monzon be sent to prison for 18 years.

Brewers edge Yankees

Athletics tame Royals

NEW YORK, July 4. (AP) Teddy Higuera pushed the Milwaukee Brewers past New York Yankees yesterday with pitching that kept the Yankees to 10 hits and four runs in eight-plus innings.

Higuera, 3-2, allowed 10 hits and four runs in eight-plus innings, striking out six and walking none. It was his 11th victory against New York in 13 career decisions.

Milwaukee, which had 14 hits in Sunday's 10-2 victory over New York, trailed 2-1 before rallying for five runs in the sixth off Dave Eiland, 1-2, and Greg Cadaret. Greg Brock and Mike Felder hit RBI doubles, B.J. Surhoff a run-scoring single and Jim Gantner a two-run single.

Blue Jays 3, Red Sox 2. Pat Borders' run-scoring single tied the game and Rob Murphy's wild pitch allowed in the go-ahead run as Toronto rallied for two runs in the seventh.

John Cerutti, 4-4, allowed eight hits, struck out two and walked three in seven innings for Toronto, which ended a three-game losing streak. Duane Ward pitched two hitless innings for his sixth save.

Indians 4, White Sox 2. Joe Carter and Cory Snyder hit consecutive RBI singles in as Cleveland rallied for three runs in the eighth inning.

Bud Black, 7-7, won for the fourth time in five decisions, allowing two runs and seven hits in eight innings. He struck out five and walked none. Doug Jones finished for his 19th save in 22 opportunities as Cleveland won for only the fourth time in 13 games.

Athletics 1, Royals 0. Dave Stewart became the American League's first 13-game



Stewart in action against Royals. (Reuters wirephoto)

winner and Dave Parker drove in the only run as Oakland won its fourth straight.

Stewart, 13-4, allowed four hits in eight-plus innings, struck out seven and walked none. Todd Burns and Rick Honeycutt finished with hitless relief, with

Honeycutt gaining his 10th save.

Angels 5, Rangers 2.

Jim Abbott set a record for Major-League victories by a first-year pro, pitching five-hit ball for eight innings.

Abbott, 7-5, surpassed the previous record set in 1973 by

Dick Ruthven, who was 6-9 for Philadelphia. Abbott struck out six and walked one and retired 13 of the last 15 batters he faced.

Bryan Harvey pitched a one-hit ninth for his 11th save.

Expos 3, Braves 0. Mark Langston pitched a two-hitter and struck out 10, leading the Montreal Expos over the Atlanta Braves.

Langston, 5-2, since being traded to Montreal, gave up singles by Gerald Perry in the second inning and Dale Murphy in the ninth. He walked five in his second National League shutout.

Phillies 2, Reds 1.

Ken Howell allowed two hits in eight-plus innings and Philadelphia Phillies beat the Cincinnati Reds before a fireworks night crowd of 56,498, the largest in the National League this season.

Howell, 7-5, gave up a single to pitcher Jose Rijo and a leadoff single in the ninth to Lenny Harris. Roger McDowell relieved and the Reds scored on an error by third baseman Steve Jeltz and a two-out single by Paul O'Neill.

Mets 3, Astros 1. Tim Lincecum and Mark Carreon hit consecutive home runs that broke a seventh-inning tie and sent the New York Mets over the Houston Astros.

Results	
National League	
Pittsburgh	4
Philadelphia	2
Montreal	3
New York	3
American League	
Milwaukee	8
Baltimore	11
Cleveland	4
Toronto	3
Oakland	1
California	5
Los Angeles	2
Cincinnati	1
Atlanta	0
Houston	1
New York	5
Detroit	4
Chicago	2
Boston	2
Kansas City	0
Texas	2



All the winners with their prizes. (Photos by Hailam Mushad)

Jaya and Ahmed honoured

JAYA SAPRE and Ahmed Hneidy took the Westminster System-17 Bridge Player of the Season awards at the Kuwait Regency Palace earlier this week.

Jaya and Ahmed both finished the 18-week bridge tournament with 60 points each. Narendra Shah played well throughout the season to take third place with 59 points.

The other players to finish in the top ten were: Adly Tiab 57 points; Saeed El Said 53; Ravi Bhatt 53; Sherin Basyouni 51; Dhruva Mukerjee 48; Mamdouh Sabri 46 and Adel Bayoumi 43.

The only players who attended the complete 18-week event were Bianca Moussali, Ahmad Tawel and John Burke.

The organisers also held the first round of the new season on Friday. The tournament was won by Marcel Zaninori and Anis Meouchi. K.T. Simon and J. Gajjar finished second while Jaya Sapre and Desmond Pereira were third.

Magdi Mesdari and Adel Bayoumi took fourth place while Mamdouh Sabri and Chaudhry were fourth and Mohammed Merchant and Ravi Bhatt fifth. Nabil Akel, organiser of the tournament, thanked all the members for their participation. The prizes were presented to all the winners by a Westminster System-17 representative.



One of the winners (left) receives his prize.



Some of the players in action.

Lions fight back for victory

CANBERRA, July 4. (Reuters) The British Lions, 21-11 down at halftime to the Australian Capital Territory, scored 21 points in 16 minutes, eventually running out 41-25 winners in the latest game of their rugby union tour today.

Fullback Peter Dods amassed 21 points but, despite scoring five tries, it was generally a lacklustre performance which will do little to boost Lions morale ahead of the second Test in Brisbane on Saturday.

In the first half the Lions appeared to be suffering a hangover from their 30-12 first Test defeat as the home side, the second weakest on the tour, made the most of some basic Lions errors.

Tries by Winger Phillip Alchin and Philip Doyle put the visitors under pressure.

But within 30 seconds of the restart the Lions, playing with the wind behind them and with the low sun in their opponents' eyes, were awarded a penalty try when the home side collapsed the scrum.

Four minutes later scrumhalf Gary Armstrong picked up a loose ball near the line to plunge over. After a Dods penalty, and with the home defence disintegrating, Lions centre Scott Hastings scored a try behind the posts to put his side 32-21 ahead.

Alchin scored his second try of the game and his team's only second half points, enjoying a kind bounce to cross in the corner after his fullback Matthew Pini kicked ahead.

But Dods put the game well beyond the act's reach with three more penalties towards the end.

English flyhalf Rob Andrew was one player who increased his chances of making the Test side with intelligent kicking during the second half. Craig Chalmers' ponderous kicking game was a major cause of the Lions' poor first Test showing.

Lock Wade Dooley, who scored a try in the first half after plunging over from a line-out, was probably the best forward on view.

Flanker Andy Robinson hurt his ribs and was surprisingly replaced by prop David Sole in the second half while hooker Brian Moore came on for prop Gareth Chilcott.

Lions coach Ian McGeechan said: "I saw performances on the field this afternoon which definitely put pressure on established Test players."

Manager Clive Rowlands said: "Despite the disappointing first half showing I am a damn sight happier now than I was before the match."

Lewis confident of breaking world jump mark

Ereng seeks to lower 800m record

STOCKHOLM, July 4. (Reuters) Olympic champion Paul Ereng looks set to follow Peter Koech into the world record books as the exciting Kenyan continues to dominate the European track season.

Koech, lowest compatriot Henry Rono's 11-year-old 3,000 metres steeplechase record to eight minutes 53.55 seconds at yesterday's Stockholm Grand Prix.

He then told reporters he had not even trained specifically for the steeplechase this season and was confident he could run faster.

In the 800 metres Ereng abandoned his usual tactic of running at the back and forced the pace from the outset, showing a world record could be in his grasp even without the now obligatory pacemaker.

After the race Ereng said his change in tactics had been deliberate.

He had wanted to set a fast pace and added that a world record was possible even in an Olympic final.

In an interview on the eve of the meeting, Ereng said any one of a number of runners could break Briton Sebastian Coe's eight-year-old record of 1:41.73.

"One of them could be me," Ereng said. "Anybody could do it. (Johnny) Gray could do it, Gray's running great."

American Gray won the 800m Saturday's Oslo Bislett Games, just holding off yet another Kenyan, Robert Kibet.

Ereng, who meets Kibet at the



Koech carries his nation's flag and a bouquet of flowers during a victory lap after breaking the record. (Reuters wirephoto).

London Grand Prix on July 14, said a first lap of 50 seconds would be sufficient for him to break Coe's mark.

"If I ran 49, it might go down a lot."

Yesterday Rono's record of 8:05.40, set in Seattle on May 13, 1978, looked in jeopardy when Polish pacemaker Henryk Jankowski pulled the pack through 1,000 metres in 2:43.35.

At 1,500, the time was 4:06.53 with Koech running comfortably in second place and his compatriot Patrick Sang third.

With three laps to run, the leading trio had dropped the remainder of the field and with two laps left it was down to Koech and Sang.

Over the last 400 metres Koech, still running easily, poured on the pace and Sang began to struggle.

Koech accelerated in the straight to cross the line with the clock showing 8:05.36 — a time which was later adjusted down by 0.01 of a second. Sang finished second in 8:06.02 the fourth fastest time ever.

The evening began sensationally when twice world champion Greg Foster was disqualified from the high hurdles after two false starts.

There were four false starts in all, with Olympic champion and eventual winner Roger Kingdom beating the gun once and another American, runner-up Jack

Pierce, also getting away too early.

Kingdom was critical of the starter afterwards: "The starter held us for centuries. We were all pumped up and when he kept holding us back we got upset."

"I tried to tell him he was too slow but he wouldn't listen."

Not surprisingly, Kingdom's time of 13.42 seconds was well outside his season's best while Pierce clocked 13.62.

World record holder Said Aouita of Morocco held off a spirited challenge from Kenyan Kip Cheruiyot in the straight to win the men's 1,500 metres in 3:34.60.

Carl Lewis extended his eight-year winning long jump streak to 60 but needed a tremendous last jump of 8.53 metres to edge out fellow-American Larry Myricks.

The Olympic champion trailed Myricks throughout the competition and had looked in grave danger losing to the Olympic bronze medalist.

"I wanted to leap 8.50 coming into the competition but it took six jumps not just one or two," Lewis said. "I almost had to jump a personal best."

Later Lewis said he felt this could be the year to finally break Bob Beamon's legendary 8.90-metre world record.

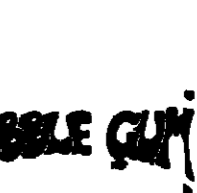
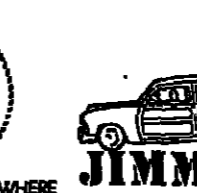
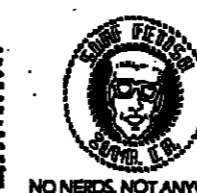
"I believe I can jump farther than I've ever jumped before. My goal for the rest of the summer is to set a personal best. This is the best year for me to beat the world record."

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SPORTS

DeFreitas skittles out Middlesex for only 43

LONDON, July 4, (Reuters): Phillip DeFreitas, axed by England after the first Test against Australia, returned career-best figures of seven for 21 as Lancashire skittled out Middlesex for 43 at Lord's today.

It was Middlesex' lowest total against Lancashire, beating their previous worst of 69 in 1933, and also the lowest in the English County Championship this season.

Starting the final day on 12 for four, chasing an unlikely victory target of 262, Middlesex were soon in deeper trouble.

Ian Hutchinson became DeFreitas' third leg-before victim of the innings and two overs later Paul Downton was caught at forward short leg by Lancashire captain David Hughes to give DeFreitas figures of four for eight in six overs.

John Emburey was next to go, neatly taken at first slip by Paul Allott off Patrick Patterson. Then DeFreitas had Mark Ramprakash and Simon Hughes caught for seven and four respectively to leave Middlesex reeling on 33 for nine.

Last pair Ricardo Elccock and Norman Cowans added 10 before Cowans was bowled by DeFreitas for seven to give him a match return of 10 for 62.

Middlesex captain Mike Gatting said: "None of our batsmen gave themselves away today. We were beaten by some very fine fast bowling."

Ian Botham warmed up for the third Test, starting at Edgbaston on Thursday, by completing an 11-wicket match haul as county champions Worcestershire beat Northamptonshire by an innings and 19 runs at Northampton.

One of his three victims today was David Capel, tipped by many to win the all-rounder's spot in the England Test side at the expense of Botham.

Capel, clearly keen to prove a point, struck Botham for four successive boundaries as he raced to 50 from only 68 balls. But Botham had the last laugh, Capel holding out to Phil Neale at cover for 53 attempting another big hit.

Botham, who finished with five for 76 and a match return of 11 for 175, could not conceal his delight, pointing Capel in the direction of the pavilion.

Rose lawsuit shifted to federal court
CINCINNATI, July 4, (AP): Lawyers for baseball commissioner A. Bartlett Giamatti filed papers yesterday to shift Cincinnati Reds Manager Pete Rose's lawsuit against Giamatti from state court into federal court.

In Cincinnati, US district judges Carl Rubin and Herman Weber signed an order immediately transferring the commissioner's request to US district Judge John D. Holschuh in Columbus, which — like Cincinnati — is located within the southern federal district of Ohio.

Jim Comodeca, a Cincinnati lawyer who filed the papers, said the filing effectively freezes the proceedings of Rose's lawsuit in Hamilton County common pleas court. Judge Norbert A. Nadel had scheduled a hearing in the Cincinnati-based common pleas court for this Thursday on Rose's request for a continuing order to block Giamatti from conducting a New York City hearing on allegations that Rose gambled on baseball, for which Rose could be banned from baseball for life.

Galaxy beat Super Stars
GALAXY Cricket Club scored an easy 45-run victory over Super Stars in the semifinal of the Millat Summer Cup at the Airport ground earlier this week.

Put in to bat, Galaxy hammered 161 runs in their 20 allotted overs with Ghulam Haider as the top scorer with an unbeaten 54. He hit a six and five boundaries while Riffat Azeem and Asim slammed a six and two boundaries each as they scored 34 and 32 respectively.

For Super Stars, Shakeel took two for 43 while Azam and Iqbal got one wicket each.

Super Stars, requiring over eight runs per over for victory, lost Iqbal Jr in the second over of their innings. He was well caught at mid-on by Taj Malik off Riffat

Evert fights back to defeat Golarsa

Graf takes revenge for French Open defeat

WIMBLEDON, England, July 4, (AP): Chris Evert came back from the brink to maintain her incredible run of success at Wimbledon today, while Steffi Graf avenged her French Open defeat to claim a semifinal berth on centre court.

Trailing 5-2 and then receiving serve 5-3, 30-0 in the third set, the 34-year-old Evert started making phenomenal passing shots and beat unheralded Italian Laura Golarsa 6-3, 2-6, 7-5.

The come-from-behind triumph on a sunny summer's day put Evert's record at 17 semifinals in 18 Wimbledon appearances.

She will play Thursday against Graf, the defending champion, who overcame a shaky run in the middle of the first set to beat 17-year-old Arantxa Sanchez of Spain 7-5, 6-1.

It was the first loss in 12 matches for Sanchez, who beat Graf for the French Open title in Paris last month.

"It was not revenge, but I wanted to play against her and play better," Graf said. "Maybe that's why I was not as patient as usual. I should have come in more right from the beginning. When I did I won almost every point."

The other semi will pit Martina Navratilova, aiming for a record ninth Wimbledon singles crown, against Catarina Lindqvist of Sweden. This is Navratilova's 12th consecutive Wimbledon semifinal, but the first for the unseeded Lindqvist.

Navratilova beat American Gretchen Magers 6-1, 6-2, while Lindqvist downed Rosalyn Fairbank of South Africa 7-5, 7-5.

In Paris, Graf's run of Grand Slam tournament victories ended at five as Sanchez became the youngest French Open



Graf outplayed Sanchez

women's winner with a pounding baseline game and an infectious enthusiasm.

At Wimbledon, Graf caught up with the Spaniard.

In the early part of the match, another upset looked possible. Sanchez moved up 5-4 as Graf struggled with the timing on her normally penetrating forehand.

At the changeover, a buzz went around centre court as Sanchez prepared to serve for the set. But Graf broke at love as Sanchez double-faulted on game point.

That started Graf on a seven-game streak, during which she won 20 of 23 points to take a 4-0 lead in the second set. Her forehand was pounding out winners, and Sanchez could no longer retrieve the ball, stretching and lunging at thin air.

"I tried to do it again," Sanchez said, referring to the chance of repeating her Paris victory. "But she played incredibly, and I couldn't do anything. She played much better here than at the French Open."

Navratilova had problems with her serve early against Magers, 25-year-old, who upset eighth-seeded Pam Shriver in the third round. But Magers never was able to capitalise and permitted Navratilova to get rolling.

Down 2-0, Magers was within a point of breaking back in the third game when Navratilova saved it with a running forehand down the line and held for 3-0.

After holding serve for 3-1, Magers had four break points in the fifth game, as Navratilova had problems with her first serve. But each time, Navratilova got



Navratilova: cruised to victory

the right shot at the right time — a spinning second-serve winner, a forehand crosscourt volley, a Magers backhand error and an open-court volley behind a wide-swinging serve to Magers' backhand.

Magers never reached break point again.

Navratilova held with a forehand crosscourt volley for 4-1 and won the next six games for a 4-0 lead in the second set. She held two match points on Magers' serve in the seventh game before her opponent held on two Navratilova errors and a service winner, then served out the match on her third match point when Magers netted a forehand.

The only person to take a set off Navratilova in the last 3-1/2 weeks was Australian qualifier

Kristine Radford in the second round.

In a match between unseeded players, Lindqvist got the only service break she needed in the first set in the 11th game. In the second set, the Swedish right-hander was serving for the match when she ran into trouble with a 5-4 lead.

Fairbank, who beat third-seeded Gabriela Sabatini in the second round, held triple-break point on the volley, smash and a forehand error by Lindqvist. She broke for 5-5 on a netted forehand, but lost her own serve in a four-deuce 11th game, when Lindqvist broke with a forehand volley.

The Swede then held serve for the match, the final two points coming on forehand errors by Fairbank.

"I was a little nervous but I wasn't very offense-minded," Lindqvist said of her failure to convert earlier chances. "I was really lucky to break back ... I have to be more positive when I'm up serving for the set."

Earlier in the fourth round, Graf routed Monica Seles 6-0, 6-1. Navratilova eliminated Hana Mandlikova 6-3, 6-2. Evert downed Patty Fendick 6-2, 6-2 and Sanchez put out Lori McNeil 6-3, 2-6, 6-1.

The other three quarterfinalists all posted upsets, Lindqvist 6-4, 7-6 over sixth-seeded Helena Sukova; Golarsa 7-6, 2-6, 6-4 over No. 10 Jana Novotna and Fairbank 6-4, 2-6, 6-0 over No. 12 Mary Joe Fernandez.

John McEnroe reached the men's quarterfinals in a raucous match that his opponent said showed the American star's true colours.

"A leopard doesn't change his spots," Fitzgerald said after a tennis war with McEnroe. "Once like that, always like that."

The Australian was on the end of one of McEnroe's temper tantrums yesterday during a 6-3, 0-6, 6-4, 6-4 defeat that gave the American a spot in the quarterfinals at Wimbledon.

In the men's quarterfinals, scheduled for tomorrow, McEnroe was joined by three other Americans, the most since 1984.

Tim Mayotte advanced for the fifth time as he ended the challenge of Michael Chang, the 17-year-old who became the youngest winner of a Grand Slam title when he took the French Open men's championship.

Chang, who surprised even himself by adapting to Wimbledon's grass to reach the fourth round, finally was exposed by Mayotte's power game and lost 6-1, 6-1, 6-3 in a clash of styles.

Ian Botham at centre of fresh row

LONDON, July 4, (Reuters): Controversial England cricket star Ian Botham is at the centre of a fresh row two days before the start of the third Test against Australia.

The mass circulation Sun newspaper said Botham had been involved in a brawl at a public house in Northamptonshire on Sunday night.

He was said to have gone to a barbecue at the pub with friend and former Australian Test bowler Dennis Lillee to celebrate his recall to the England team.

But police said today they would not be investigating allegations that Botham was involved in a fracas.

Northamptonshire police said they originally learned of an "incident" from information passed to them from Botham himself.

But a spokeswoman said there had been no complaints about what happened and so there was no police inquiry.

The police spokeswoman said: "We saw Mr Botham and Mr Lillee. They said there had been an incident but they were not making a formal complaint."

She added: "There is no complaint from Mr Botham or Mr Lillee and no complaint from any other person, so there is no police inquiry."

Pub landlord John Clark told Independent

radio news that a fight started when Botham began talking to some women.

He said their boyfriends became jealous and three men threw Botham into a toilet.

Asked if Botham came out fighting, Clark said: "He did, yes. But it was all right, there was no damage and we got it all stopped."

But Botham was quoted in the Sun as saying he was attacked while eating a hamburger. "I have no idea why the man hit me. I didn't hit anyone. All the others were holding me back."

"For once this was not my fault. I was totally innocent."

Smith out of 3rd Test

BIRMINGHAM, England, July 4, (Reuters): Batsman Robin Smith, one of the few England successes this season, today pulled out of the team to play Australia in the third cricket Test at Edgbaston starting on Thursday.

Allan Lamb's hopes of playing also seem to be fading. The Northamptonshire player had a cortisone injection in his left shoulder and was having more treatment today.

Smith injured a hamstring while batting during his second innings at Lord's in the last Test. He made 96 after hitting 32 in the first innings.

Following a week of intensive treatment he telephoned England manager Micky Stewart to tell him the injury was still troubling him and would not stand up to a five-day game.

Lamb damaged the shoulder in a Sunday League game and fears he may have torn fibres. He missed the Lord's Test because of a damaged finger.

England selectors were deciding later today whether to call up replacements.

Nijdam wins fourth stage

WASQUEHAL, France, July 4, (Reuters): Dutch rider Jelle Nijdam broke away from the pack shortly before the finish to win the fourth stage of the Tour de France yesterday.

But Acacio da Silva of Portugal retained the race leader's yellow jersey which he can keep for at least 48 hours more.

A rest day tomorrow is followed by Thursday's potentially crucial 73-km individual time

trial from Dinard to Rennes.

Nijdam, who specialises in short, solo breakaways, got away about one km from the end of the 255-km stage which closed with nine bone-shaking cobblestone stretches, from Liege in Belgium to Wasquehal in northern France.

The Dutchman won a stage in last year's Tour and the prologue in 1987.

Galaxy beat Super Stars

GALAXY Cricket Club scored an easy 45-run victory over Super Stars in the semifinal of the Millat Summer Cup at the Airport ground earlier this week.

Put in to bat, Galaxy hammered 161 runs in their 20 allotted overs with Ghulam Haider as the top scorer with an unbeaten 54. He hit a six and five boundaries while Riffat Azeem and Asim slammed a six and two boundaries each as they scored 34 and 32 respectively.

For Super Stars, Shakeel took two for 43 while Azam and Iqbal got one wicket each.

Super Stars, requiring over eight runs per over for victory, lost Iqbal Jr in the second over of their innings. He was well caught at mid-on by Taj Malik off Riffat



Riaz Mian

Azeem.

The decision to bring Tarique Chaudhry into the attack soon paid off as he had Mustafa caught by Ashraf Rana. Shabbir took over from Tarique and bowled Raza Mir (22) and Anwer.

At the other end, Razzak bowled Sikander (20) and then had Tabassum caught at mid-wicket by Tarique Chaudhry. However, the best bowling performance came from Riaz Mian who took three wickets for six runs.

Dawood Beg ended the proceedings by taking a return catch to dismiss Murtaza for nought and Super Stars for 116 in 18.1 overs.

Shabbir and Razzak took two wickets each for 15 and 29 runs respectively while Riffat, Tarique and Dawood had a wicket each for 12.17 and 25 runs respectively.

Galaxy will meet the winner of the Kheitan XI and the Falcon/Morning Star match in the final.

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SPORTS BRIEFS

John McEnroe

LONDON, July 4, (Reuters): John McEnroe issued a blunt warning to his country's Davis Cup selectors yesterday not to tamper with the US team for the semifinal against West Germany in Munich later this month.

Rinaldi hurt

LONDON, July 4, (Reuters): American Kathy Rinaldi slipped out of the Wimbledon tennis championships when a fall during a doubles match put her in hospital with concussion.

Cup qualifier

ZURICH, July 4, (Reuters): El Salvador's World Cup tie against the United States on Sunday has been postponed following protests by Costa Rica and Guatemala over Los Angeles as the proposed venue.

Greek fans

ATHENS, July 4, (Reuters): Hundreds of angry Greek fans set fire to race track stands and betting offices last night after an outsider won a horse race, police said today.

Derby winner

LONDON, July 4, (Reuters): Epsom Derby winner Nashwan, the hot favourite for the Eclipse Stakes horse race at Sandown Park on Saturday, has a poisoned foot.

Dope test

LONDON, July 4, (Reuters): Epsom Oaks winner Alyssa failed a dope test after winning the classic race, the Jockey Club, governing body of horse racing in Britain, said today.

Western Open

OAK BROOK, Ill., July 4, (Reuters): Mark McCumber parred the first extra hole yesterday to beat fellow-American Peter Jacobsen and win the \$1 million Western Open golf tournament.

Warwick injured

LONDON, July 4, (Reuters): British Formula One driver Derek Warwick may miss the French Grand Prix on Sunday after breaking two small bones in his spine in a karting accident.

Sailing race

LONDON, July 4, (Reuters): The French catamaran Saab Turbo won the Observer Round Britain Sailing Race yesterday, completing the 1,500-mile challenge in 15 days and knocking almost 24 hours off the record.

Bill Shoemaker

STOCKHOLM, Sweden, July 4, (AP): Bill Shoemaker, who is on a farewell tour that will take him around the world, rode two winners on three mounts at Taby racetrack outside Stockholm last night.

Italian team

ROME, July 4, (AP): Italian captain Adriano Panama today summoned Omar Camporese, Massimiliano Narducci, Diego Nargise and Claudio Pistolesi for the Davis Cup match against Denmark scheduled in Aarhus on July 21-23.

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